

Prepared by and Return to:

Michael Towers
Palermo Vista Homeowners Association
c/o Oakwood Construction and Development
754 Fleet Financial Court, Suite 300
Longwood, FL 32750

**REVISED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF PALERMO VISTA HOMEOWNERS ASSOCIATION, INC.**

THIS DECLARATION, is made this 30th day of October, 2014, by Oakwood Construction and Development, LLC, a Florida limited liability company (hereinafter referred to as "Developer"), whose address is 754 Fleet Financial Court, Suite 300, Longwood, FL 32750.

WITNESSETH:

WHEREAS, the Developer is the owner of certain property in Seminole County, Florida (the "Property"), more particularly described as follows on Exhibit "A" attached hereto and made a part hereof by this reference; and

WHEREAS, Developer is developing the Property into a residential community of single family residential homes built as sixteen (16) duplex townhome Dwellings two (2) have basements, all others are equal in size; and

WHEREAS, Developer intends and desires to impose certain covenants, conditions, restrictions, easements, and liens upon the Property and the use thereof, as part of a common plan of development upon the Property, and to protect its value and desirability, and

WHEREAS, Developer intends and contemplates a unique community where the exterior appearance of both the dwellings surrounding and exterior landscaping, as well as certain common recreational amenities will be maintained to the highest standards by a governing community association created for that purpose, and as such will be highly regulated and kept in a uniform appearance with little to no deviation permitted by the residents.

NOW THEREFORE, the Developer hereby declares that the real property described above shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, and easements, which are for the purpose of protecting the value and desirability of, and which shall run with said real property and be binding on all parties having any right, title or interest therein or any part thereof, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Unless the context expressly requires otherwise, the following terms mean as follows wherever used in this Declaration, the Association's Articles of Incorporation ("Articles"), or the Association's Bylaws ("Bylaws").

Section 1. "Architectural Review Committee" shall mean and refer to the Architectural Review Committee, ("ARC") provided in Article VI hereof.

Section 2. "Articles" shall mean and refer to the Articles of Incorporation of the Association, as same may be amended from time to time, a copy of which is attached hereto as Exhibit "B", and "Bylaws" means the Bylaws of the Association, as same may be amended from time to time, a copy of which is attached hereto as Exhibit "C". This Declaration, the Articles, Bylaws and the Neighborhood Rules and Regulations adopted from time to time by the Board of Directors, including specifically Architectural Guidelines and Criteria, shall collectively mean and be referred to as the "Governing Documents."

Section 3. "Assessment" shall mean and refer to the amount of money assessed against an Owner for the payment of the Owner's share of common fees, expenses and any other funds which an Owner may be required to pay to the Association as set out by the Governing Documents.

Section 4. "Association" means the Palermo Vista Homeowners Association, Inc. a corporation not for profit organized or to be organized pursuant to Chapters 617 and 720, Florida Statutes, and its successors and assigns.

Section 5. "Board" means the Association's Board of Directors.

Section 6. "Common Area" means all property, whether improved or unimproved, or any interest therein, which from time to time is owned and/or operated by the Association for the common use and enjoyment of all Owners, to the extent that said use and enjoyment of the Common Area, or portion thereof, is not expressly limited herein, or on any Plat, or by a governmental regulatory entity having jurisdiction over the Property. Without limiting the foregoing, the Tracts identified on the Plat to be conveyed to the Association shall be Common Area and such Tracts shall be conveyed by the Developer to the Association concurrently with the recording of the Plat.

Section 7. "Community" means the Palermo Vista subdivision created on the Property.

Section 8. "Conservation Easement" means any conservation easement dedicated on the Plat or granted to the St. Johns River Water Management District.

Section 9. "Declaration" shall mean and refer to this Declaration, together with any and all supplements or amendments hereto, if any.

Section 10. "Developer" means Oakwood Construction and Development, LLC and its successors and assigns, if such successors and assigns are designated in writing by the Developer as the successors and assigns of Developer's rights hereunder. Such a written assignment may be partial or total.

Section 11. "Dwelling" shall mean the residential dwelling constructed upon a Lot.

Section 12. "Improvement" shall mean any thing or object, the assembly and placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building or part thereof, garage, porch, Dwelling, covered or uncovered patio, swimming pool, fence, flagpole, curbing, paving, wall, sign, signboard, temporary or permanent storage (including any shed or trailer), temporary or permanent improvement, excavation, grading, fill, ditch, diversion, dam, or other thing or device which affects the flow of waters.

Section 13. "Lot" means any platted parcel of land shown on a Plat recorded in the Public Records of Seminole County with the exception of the Common Areas and portions, if any, dedicated to non-residential uses.

Section 14. "Maintenance" means the exercise of reasonable care to keep buildings, Dwellings, landscaping, lighting, and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted garden-management practices necessary to promote a healthy weed-free environment for optimum plant growth, which will, as a minimum, include the mowing, watering, feeding, weeding and edging of all grass on a Lot. Maintenance shall also mean the keeping of an unaltered appearance and function for all buildings, Dwellings, landscaping, lighting, and other related improvements and fixtures, as they were originally constructed, or as approved for modification by the Architectural Review Committee in a written approval granted prior to such modification.

Section 15. "Member" means every person or entity that holds membership in the Association.

Section 16. "Mortgage" means any mortgage, deed of trust, or other instrument transferring any interest in a Lot as security for the performance of an obligation. "First Mortgage" means any mortgage constituting a valid lien prior in dignity to all other mortgages encumbering the same property.

Section 17. "Mortgagee" means any person named as the obligee under any Mortgage, or the successor in interest to such person.

Section 18. "Occupant" means the person or persons, other than the Owner in possession of a Lot, and may, where the context so requires, include the Owner.

Section 19. "Owner" means the record owner, whether one or more persons, of the fee simple title to any Lot, including contract sellers, but excluding any other person holding such fee simple title only as security for the performance of an obligation. As the context may admit, "Owner" includes all persons (i) claiming any right, title or interest in a Lot by, through, or under any Owner, or (ii) lawfully upon the Properties with the consent of any Owner, express or implied, such as an Occupant.

Section 20. "Plat" means a final official plat recorded in the Public Records of Seminole County, and shall include the subdivided real property therein described and such additions thereto as may be brought within the jurisdiction of the Association as hereinafter provided.

Section 21. "Property" means the lands described in Exhibit "A" attached hereto and to be subdivided on a Plat, including Lots and Common Areas, and such improvements and additions thereto as may be brought within the jurisdiction of the Association as hereinafter provided.

Section 22. "Recorded" means filed for record in Seminole County, Florida.

Section 23. "Surface Water or Storm Water Management System" shall mean a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity or quality of discharges, as permitted pursuant to chapters 40c-4, 40C-40, or 40C-42, F.A.C., and shall include all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, flood plain compensation areas, exfiltration components, wetlands, and associated buffer areas, and wetland mitigation areas.

ARTICLE II PROPERTY RIGHTS AND COMMON AREA

Section 1. Easements and Enjoyment. Each Owner has a nonexclusive right and easement of enjoyment in and to the Common Area that is appurtenant to, and will pass with, the title to every Lot, subject to the following:

(a) Fees. The Association's right to charge reasonable fees for the use, safety and maintenance of any common facilities from time to time situated on the Common Area.

(b) Suspension and Fines. The Association's right: (i) to suspend, for a reasonable period of time, the rights of a Member or a Member's tenants, guests or invitees, or both, to use the Common Areas and facilities; or (ii) to levy reasonable fines against a Member or a Member's tenants, guests or invitees, or both. Fines so levied shall not exceed \$2,500.00 for any continuing violation. Suspension of Common Area rights, however, shall not impair the right of an Owner or tenant of a Lot to have utilities serving the Lot and vehicular or pedestrian ingress to and egress from the Lot, including but not limited to the right to park. The Board may impose such suspensions or levy such fines provided the procedures and limitations established in Article V, Section 13 are adhered to.

(c) Dedication. The Association's right to dedicate, transfer or mortgage all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as the Association considers advisable. Any such dedication, transfer or mortgage shall require the approval of Members entitled to cast not less than two-thirds (2/3) of the Lot Owners (this provision shall not apply to the Developer). If ingress or egress to any Lot is through the Common Area, any conveyance or encumbrance of such area shall be subject to the Owner's easement for ingress and egress.

(d) Delegation of Use. Such limitations as may be imposed by the Bylaws or reasonable rules and regulations adopted by the Association, each Owner may delegate his right of enjoyment in and to the Common Area and accompanying facilities, if any, to members of his family, his guests, tenants and invitees.

(e) Rules and Regulations. The Association's right to adopt, alter, amend, rescind and enforce reasonable rules and regulations governing the use of the Common Area and to adopt Neighborhood Rules and Regulations from time to time by the Board of Directors, including Architectural Guidelines and Criteria as adopted by the Architectural Review Committee.

(f) Limitations. Limitations referenced on a Plat or imposed by a governmental regulatory entity having jurisdiction over the Property.

Section 2. Permanence. The benefit of all rights and easements granted by the Declaration constitutes a permanent appurtenance to, and will pass with, the title to every Lot enjoying such benefit. Whenever any such right or easement is described as nonexclusive, its benefit is exclusive to all Lots granted such benefit by this Declaration unless this Declaration expressly grants such benefit to additional persons. In no event does the benefit of any such easement extend to the general public except as provided in the next Section or within the Plat. The burden of all rights and easements granted by this Declaration constitutes a permanent servitude upon the lands affected.

Section 3. Public Easements. Developer dedicates that portion of the Property described on the Plat, if any, and made a part hereof for the use and maintenance of public utility and drainage easements, together with a right of ingress and egress over and across the easement area for such purposes. Developer dedicates the Common Area for use by all utilities for construction and maintenance of their respective facilities serving the Property; and Developer grants to such utilities jointly and severally, easements for such purposes. Easements for drainage and/or for installation and maintenance utilities are reserved as shown on the Plat. Within these easements, no Improvement, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or drainage structures or which may impede the flow of water through drainage channels in the easements. No owner of property within the Community may construct or maintain any building, residence, structure or improvement, or undertake or perform any activity in the wetlands, wetland mitigation areas, buffer areas, upland conservation areas, and drainage easements described in the approved permit, Conservation Easement, and Plat of the subdivision, unless prior approval is received from the St. Johns River Water Management District and the City of Longwood. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, or by the Association as its agent, except for those improvements for which a public authority or utilities company is responsible or which are within the Common Area.

Section 4. No Partition. There shall be no judicial partition of the Common Area, nor shall Developer, or any Owner, or any person acquiring any interest in the Properties or any part thereof, seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any Lot owned in co-tenancy.

Section 5. General Restrictions. Except with the Association's prior written consent or in accordance with the Association's rules and regulations the following restrictions shall apply:

(a) Obstructions. There will be no obstruction of the Common Area, nor will anything be kept or stored on the Common Area except items installed by

Developer as part of its improvement of the Property, and the replacement of any such items.

(b) Alterations. Nothing will be altered on, constructed upon, or removed from the Common Area except with the prior specific written approval of the Board, which approval shall be considered a bare revocable license. Notwithstanding such approval, items installed on the Common Area may be caused to be removed from the Common Area by the Board, with or without prior notice and without liability to the Association.

(c) Activities. All uses and activities upon or about the Common Area are subject to the Association's rules and regulations.

Section 6. Private Maintenance Easements. The Developer hereby dedicates to the Association or itself a non-exclusive perpetual easement, privilege and right in and to, over, under, on and across the Lots and the Common Area, and the improvements now or hereafter constructed thereon for ingress and egress as required by its officers, directors, employees, agents, independent contractors, invitees and designees for the purpose of repairing, improving, replacing and maintaining the Common Areas, and the exterior of each Dwelling, including without limitation the walls and roofs and all landscaping and landscaping beds and planters as originally installed by Developer, so as to keep all of the foregoing in good, clean, attractive, sanitary, safe and serviceable condition, order and repair; provided that such access does not unnecessarily interfere with the reasonable use and enjoyment of the Lots and the Common Area by the Owners. For purposes of the foregoing, the portions of the Dwelling to be maintained by the Association shall mean and include all portions of the exterior so as to keep the community as near as possible in a "showcase" condition, provided that Developer reserves the right for itself and for the Association to impose specific assessments upon Lot Owners as provided in Article V for the purposes set forth therein, and further provided that Developer also reserves the right for itself and for the Association to impose additional restrictions and to grant or dedicate additional easements and rights-of-way in and to, over, under, on and across the Property so as to allow reasonable access to the Common Areas and to the Lots and Dwellings for the purpose of repairing, improving and maintaining the same. Any such additional restrictions, easements and rights-of-way shall not structurally weaken any improvements upon the Property or unnecessarily interfere with the reasonable use and enjoyment of the Property by the Owners.

Section 7. Private Landscape Tracts or Easements. The Developer may dedicate to the Association or itself landscape tracts or easements, to be more particularly described on a Plat. The Association shall be responsible for the repair, service and maintenance of any and all landscaping and other improvements located

within such tracts or easements, so as to keep all of the foregoing in good, clean, attractive, sanitary, safe and serviceable condition, order and repair.

Section 8. Non-Exclusive Access Easement. The Developer hereby dedicates to the City of Longwood and other public service and emergency service providers, a non-exclusive easement over and through the portions of the Common Area serving as the Community driveways, roads and sidewalks for vehicular and pedestrian ingress and egress access for the purpose of providing public and emergency services to the Lots and the Community, including but not limited to, postal, fire protection, police protection, emergency medical transportation, code enforcement, solid waste collection, utilities and other public and emergency services.

ARTICLE III GENERAL USE RESTRICTIONS

Section 1. Neighborhood Rules and Regulations and Architectural Guidelines and Criteria. The Association may adopt reasonable rules and regulations concerning the appearance and use and appearance of the Property, including both Lots and the Common Area, that may be amended from time to time by the Association in the manner provided by the Articles and By-laws. Such rules and regulations may specifically include architectural criteria and guidelines for proposed alterations and improvements to the Lots and the Dwellings thereon. The Association shall provide copies of the regulations and amendments thereto to all Owners and occupants. The rules and regulations shall be binding on all Owners and occupants after such copies are furnished. No Owner, invitee, or occupant residing within the Community may violate the Association's rules and regulations for the use of the Properties. All Owners and other occupants residing within the Community, and their tenants, guests and invitees, shall at all times do all things reasonably necessary to comply with such rules and regulations. The Association may impose reasonable monetary fines and other sanctions for violations of the rules in the manner provided by law. Wherever any provision of this Declaration restricts or prohibits any activity, condition or structure within the Properties, except as permitted by the Association's rules and regulations, such restriction or prohibition is self-executing until the Association promulgates rules and regulations expressly permitting such activities. Without limitation, any rule or regulation will be deemed "promulgated" when mailed to all Owners at the address shown on the Association's books or when posted at a conspicuous place on the Properties from time to time designated by the Association for such purpose. All rules and regulations may be promulgated by the Board, of Directors. The Association's procedures for enforcing its rules and regulations shall provide the affected Owner with reasonable prior notice and a reasonable opportunity to cure any alleged violation and shall comply, to the extent that an alleged violation constitutes or may constitute a

"dispute" within the meaning of Section 720.311, Fla. Stat., or its successor, with any mandatory presuit mediation or arbitration required by law. The initial Neighborhood Rules and Regulations and Architectural Guidelines and Criteria are attached to the Declaration as Exhibit "D" and shall be operative and binding until changed by the Board of Directors or the ARC. Such Neighborhood Rules and Regulations and Architectural Guidelines and Criteria may not conflict with what is expressly stated or reasonably implied from the other Governing Documents.

Section 2. Owner Maintenance. No Owner may permit any waste to the exterior portions of such Owner's Lot. Each Owner must make all repairs, maintenance and replacements for which the Owner is responsible in a safe, sanitary and reasonably attractive condition. Each Owner shall also install and maintain all additions and improvements approved by the Architectural Committee in accordance with the approved plans therefore. Should an Owner fail to meet the minimum standards for maintenance, then the Association may perform or have performed the necessary required maintenance and thereafter specifically assess such Owner for such costs pursuant to Article V hereunder.

Section 3. Activities of Developer. Notwithstanding any other provision of the Declaration, until the Developer has completed all subdivision improvements and the sale of all Lots and construction of all dwellings, neither the Association nor any Owner shall interfere with the completion of sales of the Lots or the construction and sale of the dwellings thereon. Developer may make such use of the unsold Lots as may facilitate sales, including maintenance of a sales office, showing of Lots and the display of signs.

Section 4. Surface Water Management System and Conservation Easement. Each Owner within the subdivision, at the time of construction of a building, residence, or structure shall comply with the construction plans for the surface water management system approved and on file with the St. Johns River Water Management District. No owner of property within the subdivision may construct or maintain any building, residence, or structure, or undertake or perform any activity (including but not limited to dumping, land clearing, or other disturbance) in the wetlands, wetland mitigation areas, buffer areas, upland conservation areas, and drainage easements described in the approved permit, Conservation Easement, and Plat of the subdivision, unless prior approval is received from the St. Johns River Water Management District and the City of Longwood.

Section 5. City of Longwood. No portion of this Declaration shall endorse, allow, or sanction the violation of any code or ordinance of the City of Longwood or any statute or law. Notwithstanding anything in this Declaration to the contrary, no provision of this Declaration shall restrict or prohibit the City or any other applicable government authorities from enforcement of their respective laws, ordinances, rules and regulations

(as they may be amended from time to time) and conditions of any development order or permit against the Developer, the Association, any Owner or others. The City of Longwood has the right, but not the obligation, to access, maintain, repair, replace and otherwise care for or cause to be cared for any and all private easements, Common Area and rights of way, and improvements therein, depicted on the Plat as recorded in the Public Records of Seminole County, Florida, whose primary name is Palermo Vista. In the event said private easements, Common Area, improvement and rights of way are not maintained or such become a nuisance or in the event the City of Longwood exercises the aforementioned right, each of the Lot owners in the Palermo Community are hereby ultimately responsible for payment of the cost of maintenance, repair, replacement and care provided by the City of Longwood or its agents, plus administrative costs and attorneys fees incurred by or for the City of Longwood. Said costs shall be a lien or assessment on all lots in the Community and on all Common Areas and may be enforced by foreclosure proceedings or other remedies. This right and the City's exercise of said right shall not impose any obligation on the City to maintain, repair, replace or otherwise care for said private easements, common areas, improvements or rights of way, and improvements contained therein. In the event that the Palermo Vista Homeowners Association, Inc. is dissolved, in bankruptcy, or otherwise unable to fulfill its obligations as provided in the Declaration, the individual Lot Owners shall be liable for the costs, on a pro-rata (per lot) basis, for the maintenance, upkeep, repair and/or replacement of any and all private easements Common Areas, rights of way and/or improvements in the event the City of Longwood provides such services.

ARTICLE IV THE ASSOCIATION

Section 1. Membership. Every Owner of a Lot is a Member of the Association. If title to a Lot is held by more than one person, each such person is a Member. An Owner of more than one Lot is entitled to one membership for each Lot owned. Each membership is appurtenant to the Lot upon which it is based and it is transferred automatically by conveyance of title to that Lot and may not be separated from ownership of a Lot. No person except an Owner may be a Member of the Association, and membership in the Association may not be transferred except by transfer of title to a Lot. An Owner who is a contract seller may assign such Owner's membership and voting rights to such Owner's vendee in possession.

Section 2. Voting. The Association shall have two classes of voting membership:

Class A. The Class A members shall be all Owners, with the exception of Developer, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in each Lot owned, all such persons shall be members. The

vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Voting certificates, though desirable, are not required. Cumulative voting is not permitted.

Class B. The Class B members shall be Developer who shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of one of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;

(b) on the anniversary date seven years from the date when the first Lot is conveyed to a Class A Member;

(c) such earlier date as Developer may elect, in Developer's sole discretion;
or

(d) when transition of Association control from Developer to members other than the Developer is required by Section 720.307, Florida Statutes (2014).

Section 3. Common Area. The Association shall have the following powers and shall provide the following services:

(a) Management and Control. Subject to the rights of Owners and the Developer set forth in this the Governing Documents, the Association has exclusive management and control of the Common Area, its improvements if any, and all related furnishings, equipment, fencing and other personal property, if any.

(b) Maintenance. The Association's duties with respect to the Common Area include the maintenance and operation of the Surface Water Management System and the improvements, equipment and personal property installed by the Developer on the Common Area, so as to keep all of the foregoing in good, clean substantial, attractive, sanitary, safe and serviceable condition, order and repair. Such duties include the repair, servicing, and maintenance of all pavement and drainage systems, lighting, landscaping, irrigation systems, recreation areas, conservation areas, and entry features, to the extent the same are contained within the Common Area.

(c) Taxes. The Association shall be responsible for the payment of all taxes validly levied, assessed, or imposed with respect to the Common Area.

(d) Insurance. The Association shall maintain adequate public liability and property insurance with respect to the Common Area.

Section 4. Access By Association. The Association has a right of entry onto the exterior portions of each Lot to the extent reasonably necessary to discharge its duties of exterior maintenance, if any, or for any other purpose reasonably related to the Association's performance of any duty imposed, or exercise of any right granted by this Declaration or by any applicable Supplemental or Amended Declaration, or by the Governing Documents. Such right of entry shall be exercised in a peaceful and reasonable manner at reasonable times and upon reasonable notice whenever circumstances permit. No Owner shall withhold consent arbitrarily to entry by the Association for the purpose of discharging any duty or right of exterior maintenance or of maintenance of the Common Areas if such entry is upon reasonable notice, at a reasonable time, and in a peaceful and reasonable manner. The Association's right of entry may be exercised by its agents, employees and contractors.

Section 5. Services. The Association may obtain and pay for the services of any person to manage its affairs to the extent the Board deems advisable, as well as such other personnel as the Board determines to be necessary or desirable for the proper operation of the Properties, whether such personnel are furnished or employed directly by the Association or by any person with whom it contracts. Without limitation, the Board may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Properties or the enforcement of this Declaration, the Articles, the By-Laws, or the Neighborhood Rules and Regulations and Architectural Guidelines and Criteria of the Association.

Section 6. Neighborhood Rules and Regulations and Architectural Guidelines and Criteria. As more fully set forth in Article III, Section 1 of this Declaration and as provided in the Bylaws, the Association, from time to time may adopt, alter, amend, rescind and enforce reasonable Neighborhood Rules and Regulations and Architectural Guidelines and Criteria governing the use and appearance of the Properties, consistent with the rights and duties established by this Declaration. The Association's procedures for enforcing its Neighborhood Rules and Regulations and Architectural Guidelines and Criteria at all times must provide the affected Owner with reasonable prior notice and a reasonable opportunity to cure the alleged violation.

Section 7. Capital Improvements. Except for:

- (a) replacement or repair of items installed by Developer, and
- (b) any personal property related to the Common Area, and
- (c) improvements which, in the exercise of the business judgment of the Board of Directors are also (i) necessary repairs, or (ii) necessary security measures, or (iii) required to comply with law, ordinance or other

governmental mandate, or (iv) required as a result of a casualty loss and a change local building or zoning code related to reconstruction, and

- (d) replacement or repair of the Surface Water Management System, and the funding of reserves created for that purpose,

the Association may not authorize capital improvements to the Common Area that cost in excess of \$10,000.00 without the prior approval of seventy-five percent (75%) of the Association Members present and voting in person or by proxy at a meeting duly convened for such purposes as provided in Article V, Section 3, below.

Section 8. Surface Water Management System Maintenance. The Association shall be responsible for the maintenance, operation and repair of the Surface Water or Storm Water Management System. Maintenance of the Surface Water or Storm Water Management System shall mean the exercise of practices which allow the systems to have drainage, water storage, conveyance or other service water or storm water management capabilities as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the Surface Water or Storm Water Management System shall be permitted or, if modified, as approved by the St. Johns River Water Management District. The Association shall have a perpetual non-exclusive easement over all areas of the Surface Water or Storm Water Management System where access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter on any portion of any lot which is a part of the Surface Water or Storm Water Management System, at a reasonable time and in a reasonable manner to operate, maintain or repair the Surface Water or Storm Water Management System as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water or Storm Water Management System. No person shall alter the drainage flow of the Surface Water or Storm Water Management System, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District and the City of Longwood. The St. Johns River Water Management District and the City of Longwood (or either of them) shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this declaration that relate to the maintenance, operation or repair of the Surface Water or Storm Water Management System. Should the Association cease to exist, all Owners shall be jointly and severally responsible for the operation and maintenance of the Surface Water or Storm Water Management System, unless and until an alternate entity assumes responsibility as outlined in the Articles.

Section 9. UNDERGROUND RETENTION SYSTEM RESERVE ACCOUNT

The Developer acknowledges and agrees that the Property is subject to and

bound by the following covenant, which covenant shall run with title to and bind the land:

(a) Establishment of Account. The Association shall create, deposit monies into, retain in perpetuity, and replenish from time to time, an Association account for routine maintenance and repair, and major capital repair and replacement (collectively, the "Reserve Account"), of the Property's underground retention stormwater management facilities as permitted by the St. Johns River Water Management District (collectively, the "Underground Retention System"). The funds in the Reserve Account must be kept separate and apart from all other funds and accounts of the Association.

(b) Funding of Account. The Association must deposit each year into the Reserve Account an amount of money sufficient to perform all scheduled maintenance and unscheduled repair of the Underground Retention System during the subsequent year. In addition, the Association must deposit each year into the Reserve Account an amount of money sufficient to perform major capital repair and replacement of the Underground Retention System no less frequently than the operational life of the Underground Retention System.

(c) Assessments. The Association shall impose and collect assessments against each platted Lot in the Property, including Lots owned or controlled by the Developer and by any builder, and such assessments must be uniform and equitable and must be imposed and collected in amounts sufficient, when added to investment earnings and other available revenues of the Association, if any, to make all required deposits to the Underground Retention System Reserve Account.

(d) Use. Funds in the Reserve Account, including any investment earnings, shall be used by the Association only for scheduled maintenance, unscheduled repair, and for major capital repair and replacement of the Underground Retention System.

(e) Amendment. The provisions of this section may not be amended or removed without the written consent of the St. Johns River Water Management District upon written documentation from the Association that the reserve account is sufficiently funded to replace the system. This request must include proof of funds in a bank authorized to do business in the State of Florida as well as a letter from an engineer attesting to the condition of the system and the cost of replacement.

Section 10. Amplification. The provisions of this Declaration may be amplified by the Articles and By-Laws of the Association and by the Neighborhood Rules and Regulations and Architectural Guidelines and Criteria, but no such amplification shall alter or amend substantially any of the rights or obligations of the Owners set forth in the Declaration or any supplement or amendment thereto. The Developer intends that the provisions of this Declaration and any Supplemental or Amended Declaration, on the

one hand, and the Articles, By-Laws and Neighborhood Rules and Regulations and Architectural Guidelines and Criteria on the other hand, be interpreted, construed and applied to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, Developer intends that the provisions of this Declaration, or any Supplemental or Amended Declaration, control anything to the contrary in the Articles or By-Laws or Neighborhood Rules and Regulations and Architectural Guidelines and Criteria.

ARTICLE V ASSESSMENTS

Section 1. Assessments Established. For each Lot owned within the Property, Developer covenants, and each Owner of any Lot by acceptance of a deed thereto, whether or not it is so expressed in such Deed, is deemed to covenant and agree, to pay to the Association:

- (a) An initial assessment, as provided in Section 5 of this Article.
- (b) An annual assessment, as provided in Section 2 of this Article; and
- (c) Special assessments, as provided in Section 3 of this Article; and
- (d) Specific assessments; as provided in Section 4 of this Article; and
- (e) Reserves for the deferred maintenance, repair and replacement of capital assets of the Association, including but not limited to the Underground Retention System as provided in Article IV, Section 9;
- (f) All excise taxes, if any, that from time to time maybe imposed by law upon all or any portion of the assessments established by this Article;
- (g) Interest, administrative late fees and costs of collection of such assessments, including reasonable attorney's fees, as provided in this Declaration; and

All of the foregoing are a continuing charge on the land and secured by a continuing lien upon the Lot against which each assessment is made, as provided in Section 7, below. Each such assessment, together with excise taxes, interest and all costs and expenses of collection, including reasonable attorney's fees, also is the personal obligation of the person who was the Owner of such Lot when such assessment fell due. Such personal obligation shall pass to an Owner's successors in title unless otherwise provided in this Declaration or unless otherwise provided by law, and the successor shall be jointly and severally liable therefore with the prior owner.

Commencing with the recording of this Declaration and terminating upon the date of that Developer has closed on the sale of all Lots, the annual or special assessments on Class B lots shall be 50% of the corresponding assessments for Class A lots. As an alternative in lieu of such assessments, Developer may pay the excess expenses of the Association, including reserves, which exceed the amounts collected from Class A lot assessments, as long as Class A assessments do not exceed \$300.00 per month during the first calendar year, with annual increases not to exceed \$225.00 per calendar year thereafter, provided that the Developer shall pay reserves on its Lots where same is required by law or ordinance.

Section 2. Annual Assessment. The annual assessment must be used exclusively to promote the recreation, health, safety and welfare of the residents within the Properties, including (i) the operation, management, maintenance, repair, servicing, renewal, replacement and improvements of the Common Area, including but not limited to the Underground Retention System and the Surface Water or Storm Water Management System and the establishment of reserve accounts therefore; and (ii) the cost of labor, equipment, materials, management and, supervision of the Common Area; and (iii) all other general activities and expenses of the Association. The creation of reserves for any purpose shall not be mandated, but may be established and expended by the Board of Directors in the exercise of its sound business judgment.

Section 3. Special Assessments. As more fully provided in Article IV, Section 8 of this Declaration, in addition to the annual assessment, the Board of Directors of the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, renewal, repair or replacement of a capital improvement upon the Common Area, including but not limited to the pavement and drainage systems within the Common Area, and for improvements which, in the exercise of the business judgment of the Board of Directors are also ((i) necessary repairs, or (ii) necessary security measures, or (iii) required to comply with law, ordinance or other governmental mandate, or (iv) required as a result of a casualty loss and a change local building or zoning code related to reconstruction. Improvements to the Common Areas not covered by the foregoing and costing in excess of \$10,000.00 shall first be approved by seventy-five percent (75%) of the members who are present and voting in person or by proxy at a meeting duly convened for such purpose. Any such special assessment may be payable in one or more installments, with or without interest, as seventy-five percent (75%) of the Members so present and voting determine.

Section 4. Specific Assessments. Any and all accrued, liquidated indebtedness of any Owner to the Association, excluding fines to the extent required by law, arising under the provision of this Declaration, or by contract expressed or implied, or because of any act or omission of any Owner or person for whom such Owner is responsible, also may be assessed by the Association against such Owner's Lot after such Owner fails to pay it within thirty (30) days after written demand. Such

assessments may include the costs of maintenance, repair or replacement to the Lot, the Dwelling, the Common Area or other portions of the Property which the Association incurs and which resulted from the negligence, recklessness or intentional acts or failure to act of an Owner or the Owner's family or tenants, or the guests, or invitees of the Owner or the Owner's tenants.

Section 5. Amount of Annual Assessment and Initial Assessment; Reserves.

(a) Until the close of the fiscal year during which Developer conveys the first Lot to a Member who resides on the Lot, the annual assessment will not exceed THREE HUNDRED Dollars (\$300.00) per Lot, which amount is independent of and does not include any amounts due the applicable governmental authority for fire protection. Annual increases in assessments during the period of Developer build-out will be governed by Section 1 of this Article if the Developer elects to guarantee the level of assessments. At least thirty (30) days before the expiration of each fiscal year, the Board of Directors will prepare and, distribute to each Owner a proposed budget for the Association's operations during the next ensuing fiscal year. After the termination of any guarantee period, if such budget requires an annual assessment of 115% or less of the annual assessment then in effect, the assessment so proposed will take effect at the commencement of the next ensuing fiscal year without further notice to any Owner. If such budget requires an annual assessment that is either more than one hundred fifteen percent (115%) of the annual assessment then in effect, or would increase the budget by an amount exceeding the increase in the Consumer Price Index ("CPI") published by the U.S. Department of Labor for the preceding year, or a comparable index if the CPI is not available, whichever increase is greater, then however, the Board shall call a membership meeting on not less than fifteen (15) days prior notice for the purpose of approving such increase. A majority of the votes, pursuant to Article IV, Section 2, of those Members present and voting is sufficient for such approval, and the assessment approved will take effect at the commencement of the next ensuing fiscal year without further notice to any Owner. If the proposed assessment is disapproved, a majority of the votes will determine the annual assessment for the next ensuing fiscal year, which may be in any amount not exceeding that stated in the meeting notice. Each annual assessment may be payable in such number of installments, with or without interest, as the Board determines. In the absence of any action by the Board or the membership to the contrary prior to the commencement of any fiscal year, the annual assessment then in effect automatically will continue for the ensuing year. In determining whether a proposed budget requires assessments that are more than one hundred fifteen percent (115%) of the annual assessment then in effect, expenses or reserves, set-asides for anticipated insurance premiums or deductibles and other obligations imposed by law or ordinance shall be excluded from the calculation.

(b) An initial assessment of TWO HUNDRED FIFTY Dollars (\$250.00) per Lot shall be due and payable upon the initial transfer of a Lot to a Class A Owner and upon

each successive transfer from a Class A Owner to succeeding Class A Owner. However, such fee shall not be due from the existing owner of a Lot upon the lease or rental of such Lot, nor upon the transfer of such Lot when transferred for nominal consideration to the spouse or children of the Owner or to a family trust; nor upon the purchase of a new Lot following the sale of an Owner's existing Lot, provided that there is no interruption between the ownership of the Lots by the purchasing Owner. Notwithstanding any other provision of this Declaration to the contrary, the initial assessment shall be treated in all respects as an assessment against the Lot due from the new Owner, and may be the subject of a lien and foreclosure action in the same manner provided in this Article V for collection of other assessments. The initial assessment shall be deemed delinquent if not received by the Association within ten (10) days after the date of transfer of the Lot.

(c) Notwithstanding the foregoing, there shall be established, collected and funded by the Association a mandatory reserve for the deferred maintenance, repair and replacement of the Underground Retention System, including without limitation the exfiltration components thereof. Such reserve shall be in addition to, but collected as part of the Annual Assessment, and shall not be subject to any of the limitations contained herein on increases in assessments. The reserve shall at all times be calculated by dividing the estimated useful life of the Underground Retention System by the estimated cost of deferred maintenance or replacement. The quotient of such calculation shall be added to and collected as part of the annual assessment, and shall be funded to a separate reserve account maintained by the Association at least as frequently as assessments incremental installments of assessments are required to be paid by the members. All interest that accrues on the reserve fund shall remain with the reserve account. Such reserve may not be used for any other purpose without the prior written permission of the St. John's River Water Management District. For purposes of the initial calculation of the reserves required by this subsection, the estimated useful life shall be twenty (20) years and the estimated replacement cost shall be \$40,000.00. The foregoing may be reduced only upon the written recommendation of a licensed engineer, based upon changes to the estimated replacement cost or the performance of deferred maintenance that has the effect of prolonging the estimated useful life of the Underground Retention System. In no event does the foregoing estimated replacement cost reduce or cap the Association's and Lot Owners' responsibilities concerning the operation, repair, replacement and maintenance of Underground Retention System and the Surface Water Management System, including concerning their obligation to bear the full costs thereof. In the event that the Association is terminated, upon demand, the St. Johns River Water Management District shall be entitled to recover the unpaid balance of such reserve.

Section 6. Commencement. The assessments provided by this Article will commence as to all Lots on the first day of the first month following Developer's first

conveyance of title to any Lot to a Class A Member and will be prorated on the basis of the number of months then remaining in the Association's fiscal year.

Section 7. Assessment Lien. All sums assessed to any Lot, together with interest, administrative late fees and all costs and expenses of collection, including reasonable attorneys' fees, are secured by a continuing lien on such Lot in favor of the Association. Such lien is subject and inferior to the lien for all sums secured by any First Mortgage encumbering such Lot; but all other lienors acquiring liens on any Lot after this Declaration is recorded and all other purchasers of an interest in the Lot are deemed to consent that such liens are inferior to the lien established by this Declaration, whether or not such consent is set forth in the instrument creating such lien. The recordation of this Declaration constitutes constructive notice to all subsequent purchasers and creditors, or either, of the existence of the Association's lien and its priority. The Association may, but is not required to, from time to time, record a Notice of Lien to further evidence the lien established by this Declaration.

Section 8. Association Remedies. Any assessment not paid within thirty (30) days after its due date bears interest at the maximum rate of interest allowed by law at the time. In addition, the Association may charge an administrative late fee not to exceed the maximum amount permitted by law. The Association may sue the Owner personally obligated to pay such assessment for a money judgment, or it may foreclose its lien against such Owner's Lot. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing, waiving, or otherwise, impairing the security of the Association's lien, or its priority. The Board may suspend the voting rights of a Member for the failure of a Member to pay its regular annual assessment within the ninety (90) days after its due date and may suspend the Owner's right to use the Common Areas subject to the limitations imposed by law. No Owner may waive or escape liability for the Association's assessments by non-use of the Common Area or by abandonment of such Owner's Lot.

Section 9. Foreclosure. The lien for sums assessed pursuant to this Article may be enforced by a judicial foreclosure commenced and prosecuted in the same manner in which mortgages on real property from time to time may be foreclosed in the State of Florida, except to the extent that applicable law requires other procedures prior to or during such actions. In such foreclosure, the Owner is required to pay all costs and expenses of foreclosure including reasonable attorney's fees. Such costs and expenses are secured by the lien foreclosed. Such Owner also is required to pay to the Association all assessments against the Lot that become due during the period of foreclosure, which also are secured by the lien foreclosed and will be accounted and paid as of the date the Owner's title is divested for foreclosure. The Association has the right and power to bid at the foreclosure, or to acquire such Lot by deed or other proceeding in lieu of foreclosure, and thereafter to hold, convey, lease, rent, use and otherwise deal with such Lot as its Owner for purposes of resale only. If any foreclosure

sale results in a deficiency, the Association may petition the Court having jurisdiction of the foreclosure to enter a personal judgment against the Owner for such deficiency.

Section 10. Exempt Lots. Any and all Lots from time to time owned by the Association will be exempt from the assessments established by this Article during the period of such ownership. This Association may not own or otherwise acquire Lots except (i) pursuant to foreclosure of the Association's lien, or (ii) one Lot for use as a residence by any resident manager for the Property who is employed by the Association or Association's manager.

Section 11. Lien Subordination. The Association's lien established by the Declaration is subordinate to the lien of any First Mortgage. Sale or transfer of any Lot does not affect the assessment lien, except that the sale or transfer of any Lot pursuant to foreclosure of any First Mortgage, or any proceeding in lieu thereof, extinguishes the Association's lien as to payments that became due prior to such sale or transfer, without prejudice, however, to the Association's right to collect such amounts from the Owners personally liable for their payment and subject to such other collection rights available to the Association by statute. No such sale or transfer relieves such Lot from liability for assessment thereafter becoming due or from the lien thereof. Any First Mortgage holder holding a lien on a Lot may pay, but is not required to pay, any amount secured by the lien created by this Article and, upon such payment, such encumbrancer will be subrogated to all rights of the Association with respect to such lien, including priority.

Section 12. Homesteads. By acceptance of a deed thereto, each Owner of each Lot is deemed to acknowledge conclusively that (i) the assessments established by this Article are for the improvement and maintenance of any homestead thereon; and (ii) the Association's lien for such assessments has priority over any such homestead; and (iii) such Owner irrevocably waives the benefit of any homestead exemption otherwise available with respect to all amounts secured by such lien.

Section 13. Fines and Suspensions. In addition to all other remedies, in the sole discretion of the Board, (i) a fine or fines may be levied against an Owner for failure of the Owner, his family members, guests, invitees, tenants or employees to comply with any covenant, restriction, rule or regulation, contained herein or promulgated pursuant to this Declaration; or (ii) the rights of an Owner or an Owner's family members, guests, invitees, tenants or employees, to use the Common Areas and facilities may be suspended for a reasonable period of time, provided the following procedures are adhered to:

(a) **Notice.** The Association shall notify the Owner in writing delivered by hand or by regular United States Mail of the infraction or infractions. Included in the notice shall be the date and time of the next Board meeting at which time the Owner may present reasons why fine(s) or suspension(s) should not be imposed. At least

fourteen (14) days notice of such meeting shall be given to the Owner. Notice shall deem to have been given when hand delivered or three (3) days after mailing.

(b) Hearing. The alleged noncompliance shall be presented to at the meeting or special meeting of the Board to a committee of at least three (3) Members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, or sibling of an officer, director or employee of the Association. At the same meeting, the Owner sought to be fined or suspended may present reasons why the proposed fine or suspension should not be levied or imposed. If the committee does not approve, by a majority vote, a proposed fine or suspension of Common Area use rights, it may not be levied or imposed. The decision of the committee shall be submitted to the Owner in writing not later than twenty-one (21) days after the meeting of the Board. The Owner shall have a right to be represented by counsel and to cross-examine witnesses.

(c) Amount of Fines. If approved pursuant to subsection (b) above, the Board may impose fines not to exceed \$100 per violation, against any Owner, his family members, guests, invitees, tenants or employees. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$2,500 in the aggregate.

(d) Payment of Fines. Fines shall be paid not later than thirty (30) days after receipt by Owner of a notice of the levy of a fine.

(e) Collection of Fines. Unless otherwise permitted by law, fines shall not be treated as an Assessment otherwise due the Association and may not be collected in the manner as described herein for collection of Assessments.

(f) Application of Fines. All monies received from fines shall be allocated as directed by the Board.

(g) Non-exclusive Remedy. The provision for fines and suspensions in this Article shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled.

ARTICLE VI ARCHITECTURAL COMMITTEE

Section 1. Purpose. IT IS CONTEMPLATED THAT THE ASSOCIATION WILL EXERCISE GREATER THAN USUAL AUTHORITY OVER THE APPEARANCE OF THE PALERMO VISTA COMMUNITY IN PART BECAUSE THE DWELLINGS WERE CONSTRUCTED USING SPECIAL MATERIALS THAT ARE THE SUBJECT

OF LONG-TERM WARRANTIES AND WHICH REQUIRE SPECIFIC AND SPECIAL CARE AND, IN PART BECAUSE THE MEMBERS DESIRE THE SUPERIOR AESTHETIC ENVIRONMENT AVAILABLE IN A COMMUNITY WHERE THE EXTERIOR APPEARANCE IS TIGHTLY CONTROLLED TO MAINTAIN A CONTINUOUS "SHOWCASE" APPEARANCE. AS SUCH ALL ASPECTS OF THE EXTERIOR APPEARANCE OF THE COMMUNITY, INCLUDING THE DWELLINGS AND THE LOTS ARE SUBJECT TO CONTINUOUS, ACTIVE AND VIGOROUS OVERSIGHT BY THE ASSOCIATION, MAKING IT UNLIKELY THAT SIGNIFICANT EXTERIOR ALTERATIONS WILL BE PERMITTED.

Section 2. Authority. No dwellings, building, structure, fence, color change, addition, exterior alteration or substantial attachment, or construction or erection of any kind may be erected, placed, reconstructed or permitted to remain on any Lot unless and until approved in writing by the ARC. In light of the foregoing purposes such approval will not be unreasonably withheld for proposed improvements that do not materially alter the appearance and quality of the original work.

Section 3. Design Standards. The ARC shall from time to time, subject to this Declaration and the Governing Documents, adopt, promulgate, amend, revoke, and enforce architectural guidelines and criteria, hereinafter referred to as the Architectural Guidelines and Criteria for the purposes of:

- (i) governing the form and content of plans and specifications to be submitted to the Architectural Committee for approval pursuant to this Declaration; and
- (ii) governing the procedure for such submission of plans and specifications; and
- (iii) establishing guidelines and criteria with respect to the approval and disapproval of design features, architectural styles, exterior colors and materials, details of construction, location and size of any permitted Improvement and all matters that require approval by the ARC pursuant to this Declaration.

Section 4. Review and Approval of Plans. No Improvement shall be commenced, erected or maintained on any Lot, nor shall any exterior addition to or alteration thereof be made until the plans and specifications showing the nature, kind, shape, height, material and location of the same shall have been submitted to the ARC for written approval (i) as to conformity and harmony of external design and general quality with the existing standards of the neighborhood and with the Architectural Guidelines and Criteria; and (ii) as to the location of the Improvement in relation to surrounding Improvements and topography and finished ground elevation; and (iii) shall be consistent with the provisions of this Declaration and the Architectural Guidelines and Criteria. In the event that a submission of plans and specifications requests

approval for Improvements for which the Architectural Committee does not then have a Architectural Guideline or Criteria addressing some or all of the proposed Improvement, the ARC may abate the submission in writing for a period not to exceed forty-five (45) days to permit the ARC or the Board to consider and properly notice, adopt and publish a written standard or criteria addressing the subject of the submission. In the alternative the ARC may deny the request without prejudice to re-submission.

Such plans and specifications shall be in such form and shall contain such information as may be reasonably required by the ARC including, without being limited to a form application, two copies of detailed plans, an explicit description of the proposal and samples showing the type, materials, color, size and quality typically will be required.

Upon approval by the ARC of any plans and specifications submitted pursuant to this Declaration, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the ARC and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any Lot or Improvement of any plans and specifications shall not be deemed a waiver of the ARC's right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use in connection with any other Lot or Improvement. Approval of any such plans and specifications relating to any Lot or Improvement, however, shall be final as to that Lot or Improvement and such approval may not be reviewed or rescinded thereafter, provided that there has been adherence to, and compliance with such plans and specifications, as approved, and any conditions attached to any such approval.

Notwithstanding anything to the contrary, the ARC may request changes in any plans or Improvements that are completed or being built if required by law and neither the Developer nor the ARC shall be liable for damages. In regards to any plans and specifications approved by the ARC neither Developer, nor any member of the ARC, shall be responsible or liable in any way for any defects in any plans or specifications, nor for any structural defects in any work done according to such plans and specifications nor for the failure of the plans and specifications to comply with any law. Further, neither Developer, nor any member of the ARC shall be liable in damages to anyone by reason of mistake in judgment, negligence, misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications or the exercise of any other power or right of the ARC provided for in this Declaration. Every Person who submits plans or specifications to any ARC for approval agrees, by submissions of such plans

and specifications, and every Owner of any Lot agrees, that he will not bring any action

or suit against Developer, or any member of the ARC, to recover for any such damage.

Any employee or agent of the ARC may, after reasonable notice, at any reasonable time, enter upon any Lot and Improvement thereon for the purpose of ascertaining whether the installation, construction, alteration, or maintenance of any Improvement or the use of any Lot or Improvement is in compliance with the provisions of this Declaration; and neither the ARC, nor any such agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

Section 5. Committee Membership. The ARC membership shall be initially composed of three persons appointed by the Developer, who by majority vote may designate a representative (herein called "Designated Representative") to act for and on behalf of the ARC and to exercise all powers and perform all duties of the ARC. However, at such time as all of the Lots in the Property have been sold by Developer, the powers and duties of the ARC shall immediately vest in and be assigned to the Association, and the ARC shall thereafter exist as a committee of the Association under the control of the Board.

Section 6. Replacement. In the event of the death, inability to serve because of disability, or resignation of any member or members of the ARC, a successor member or members shall be appointed by the Developer until such time as all developer Lots have been sold and thereafter by the Board of Directors, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to exercise the powers and perform the duties of the ARC,

Section 7. Standards. In reviewing any particular application, the ARC must consider whether its action will: (i) assure harmony of external design, materials and location in relation to surrounding buildings and topography within the Properties; and (ii) preserve the value and desirability of the Properties as a residential community; and (iii) be consistent with the provisions of this Declaration and the Neighborhood Rules and Regulations and Architectural Guidelines and Criteria; and (iv) be in the best interest of all Owners in maintaining the value and desirability of Palermo Vista as a residential community.

ARTICLE VII GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, has the right to enforce, by any appropriate proceeding, all restrictions, conditions, covenants, easements, reservations, rules, regulations, liens and charges now or hereafter imposed by, or pursuant to, the provisions of this Declaration. The Association shall comply with any presuit mediation and arbitration procedures required by law as a

legal effect as the word "shall". This Declaration should be construed in favor of the party seeking to enforce its provisions to effectuate its purpose of protecting and enhancing the value, marketability, and desirability of the Properties as a residential community by providing a common plan for their development and enjoyment.

Section 9. Annexation. Within five years of the date of execution of this Declaration, Developer may, subject to compliance with Section 4 above, add contiguous lands to the Property described in Exhibit "A" attached hereto by the filing of a supplemental declaration declaring such annexed lands to be subject to the provisions hereof, with such modifications and additions as may be applicable to such annexed lands. Upon the filing of such a supplemental declaration, the Lots and lands annexed thereby shall become subject to this Declaration, to the assessment provisions hereof, and to the jurisdiction of the ARC and the Association. For purposes of Article IV, Section 2, the Lots in the annexed lands shall be considered to have been part of the Property since the filing of this Declaration.

IN WITNESS WHEREOF, Developer has executed this Declaration the date stated above.


Signed, sealed and delivered


Oakwood Construction and
Development, LLC

in the presence of:

By: Michael F. Towers


Print name: Laura Reamer


Print name: Andrea Sehgal


Its: Manager

STATE OF FLORIDA
COUNTY OF SEMINOLE

The foregoing instrument was acknowledged before me this 30th day of October, 2014, by Michael F. Towers, as Manager of Oakwood Construction and Development, LLC, who is personally known to me.

Laura Marie Reamer
Notary Public sign

name: Laura Marie Reamer

My Commission Expires: 10-10-16



EXHIBIT "A"
LEGAL DESCRIPTION

LOT 12 AND THE EAST 215.88 FEET OF LOT 13, LONGWOOD HILLS ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 6, PAGES 15 AND 16 OF THE PUBLIC RECORDS OF SEMINOLE COUNTY, FLORIDA; LESS AND EXCEPT THAT PORTION IN THAT ORDER OF TAKING OFFICIAL RECORDS BOOK 3733, PAGE 1848 OF THE PUBLIC RECORDS OF SEMINOLE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF LOT 12 LONGWOOD HILLS AS RECORDED IN PLAT BOOK 6 PAGES 15 AND 16 OF THE PUBLIC RECORDS OF SEMINOLE COUNTY, FLORIDA; SAID POINT LYING ON THE SOUTH LINE OF LOT 59, REPLAT-AMENDED PLAT OF LONGWOOD GREEN AS RECORDED IN PLAT BOOK 29 PAGES 56 THROUGH 58 OF THE PUBLIC RECORDS SEMINOLE COUNTY FLORIDA; THENCE RUN N 90°00'00" W ALONG THE SOUTH LINE OF SAID LOT 59 AND ALONG THE SOUTH LINE OF LOT 54 THROUGH 58 INCLUSIVE OF SAID REPLAT- AMENDED PLAT OF LONGWOOD GREEN AND ALONG A PORTION OF THE DRAINAGE RETENTION AREA RECORDED IN AMENDED PLAT OF LONGWOOD GREEN AS RECORDED IN PLAT BOOK 24 PAGES 39 AND 40 OF SAID PUBLIC RECORDS FOR A DISTANCE OF 557.69 FEET TO THE WEST LINE OF LONGWOOD GREEN HILLS AS RECORDED IN PLAT BOOK 44 PAGE 73 OF THE PUBLIC RECORDS OF SEMINOLE COUNTY, FLORIDA; THENCE RUN S 00°00'46" E ALONG SAID WEST LINE FOR A DISTANCE OF 303.61 FEET TO THE NORTH RIGHT OF WAY LINE OF LONGWOOD HILLS ROAD; THENCE RUN S 89°57'00" E ALONG SAID NORTH RIGHT OF WAY LINE FOR A DISTANCE OF 473.75 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 623.91 FEET AND A WITH A CHORD BEARING OF N 86°11'04" E, WITH A CHORD LENGTH OF 84.13 FEET; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 07°43'54" FOR AN ARC LENGTH OF 84.19 FEET TO THE EAST LINE OF THE AFOREMENTIONED LOT 12 LONGWOOD HILLS; THENCE RUN N 00°00'46" W ALONG SAID EAST LINE FOR A DISTANCE OF 298.43 FEET TO THE POINT OF BEGINNING.

HAVING AN AREA OF 3.887 ACRES MORE OR LESS.