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**OAK GROVE DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS DECLARATION made this 12<sup>th</sup> day of February, 1996, by **ORSI DEVELOPMENT, INC.**, and **SUNFIELD HOMES, INC.**, whose principal places of business are in Pasco County, Florida, hereinafter referred to as "DECLARANT".

**W I T N E S S E T H:**

WHEREAS, DECLARANT is the owner of real property described in Article II of this Declaration and desires to create thereon an exclusive community to be named **OAK GROVE**; and

WHEREAS, DECLARANT desires to insure the attractiveness of the individual lots and is providing common areas within Oak Grove and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the said property and to provide for the maintenance of the common areas and, to this end, desires to subject the real property described in Articles II together with such additions as may hereafter be made thereto (as provided in Article II) to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, DECLARANT has deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in Oak Grove and to insure the residents' enjoyment of the specific rights, privileges and easements in the common areas, to create an organization to which should be delegated and assigned the powers of owning, maintaining and administering all common and community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, DECLARANT will incorporate under the laws of the State of Florida, as a non-profit corporation, **OAK GROVE P.U.D. HOMEOWNERS ASSOCIATION, INC.**, for the purpose of exercising the functions aforesaid within **OAK GROVE**.

NOW, THEREFORE, THE DECLARANT declares that the real property described in Article II, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

## ARTICLE I

DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

1. "OAK GROVE" shall mean and refer to all existing properties, and additions thereto, as are subject to this Declaration and any Supplemental Declaration under the provisions of Article II hereof.
2. "Association" shall mean and refer to Oak Grove P.U.D. Homeowners Association, Inc.
3. " Dwelling Unit " shall mean and refer to all private residential units constructed on a lot within OAK GROVE. May sometimes be referred to as " Dwelling " or " Unit ".
4. " Owner " shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot situated within Oak Grove but shall not include mortgagees.
5. " Common Improvements " - those lands or improvements erected thereon as donated or constructed by the Developer and/or Association for the enhancement and protection of The Property or to meet the governmental requirements placed on The Property.
6. " Declarant " shall mean and refer to Orsi Development, Inc. and Sunfield Homes, Inc., its agents, successors and assigns, or such other construction company that undertakes to develop real estate in OAK GROVE under an agreement with the Owners of the land. The Declarant may sometimes be called or referred to as " Developer ".
7. " Member " shall mean and refer to members of the Oak Grove P.U.D. Homeowners Association, Inc.
8. " General Plan of Development " shall mean and refer to all recorded plats for particular areas of Oak Grove.
9. " Lot " shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property for the construction of a residence, with the exception of the Common Area(s), together with all improvements situated thereon from time to time. A lot may also be referred to as " Unit " when developed.
10. " Board of Directors " when referred to herein shall mean the Board of Directors of Oak Grove Homeowners' Association, Inc.

11. "Committee" when referred to herein shall mean the Architectural Control Committee provided for in Article VI hereof.
12. "Common Areas"/"Community Property" shall mean all real property, including improvements thereto, owned or areas of easement held in favor of the Association or administered thereto by the Association for the common use and enjoyment of the members of the Association. The Common Areas may, without limitation, include parking areas, walkways, landscaped areas outside the lots, playgrounds, community structures, if the same are constructed, and any and all lakes, ponds, or retention areas within the Property. Common Area(s) may sometimes be called or referred to as Community Property.
13. The term "Institutional First Mortgage" shall mean a mortgage made by a bank, or a savings and loan association, or an insurance company, or a pension fund, or a real estate trust, or other private or governmental agency or institution which is engaged in the business of mortgage financing, which is a first and prior mortgage encumbering a Residence.
14. "Bylaws" shall mean and refer to the Bylaws of Oak Grove P.U.D. Homeowners Association, Inc., all exhibits and Rules and Regulations which are attached thereto and made a part thereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof.
15. "Residence" shall mean and refer to a private family dwelling located upon a lot.
16. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of Oak Grove P.U.D. Homeowners Association, Inc., all exhibits which are attached thereto and made a part thereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof.
17. "Developer" shall mean Orsi Development, Inc. and Sunfield Homes, Inc., or other third parties responsible for the subdivision and improvements of the lands.
18. All other terms defined in the Declaration shall have the same meaning when used herein.

## ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

Section 1. Existing Property. The Real Property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in the County of Pasco, State of Florida, and is to be platted and known as OAK GROVE all of which real property shall hereinafter be referred to as the "Property".

Section 2. Additions to Existing Property. Except as restricted by the provisions of Article VIII, Section 7 of this Declaration, without further assent or permit, DECLARANT hereby reserves the right, exercisable from time to time, to subject other real property to the restrictions set forth herein, in order to extend the scheme of this Declaration to other property to be developed as part of Oak Grove, and thereby bring such additional properties within the jurisdiction of the Association. The addition herein authorized shall be made by filing of record (Section 1 above) to this Declaration, or one or more supplementary Declarations with respect to the properties to be then subject to this Declaration and which shall extend the jurisdiction of the Association to such property and thereby subject such addition to assessment for their just share of the Association's expenses. Each supplementary Declaration may contain such complimentary additions and modifications of the Covenants, Conditions and Restrictions contained herein, as may be necessary to reflect the different character, if any, of the added properties; provided however, any such supplementary declaration or any such other Declaration shall not revoke or otherwise amend the provisions of this Declaration as this Declaration pertains to the properties subject thereto.

Section 3. Additions. In the event additional property is submitted to this Declaration, DECLARANT reserves the right to replat in its sole discretion any previously platted properties already submitted to this Declaration in order to establish streets, walkways, and open spaces that adequately and consistently provide access and harmony in appearance to all portions of the Property. If DECLARANT shall determine that replatting of any previously platted property is necessary or expedient, and any Lot or parcel within that previously platted property has been conveyed to a third party, such third party owner, his successors, assigns, grantees, heirs or legal representatives shall execute any and all applications, affidavits and instruments requested by DECLARANT in order to effectuate such replatting, provided that such replatting shall not materially affect the right of convenient access to Lots previously conveyed to third parties under the previous plat.

Section 4. Mergers. Upon a merger or consolidation of Oak Grove P.U.D. Homeowners Association, Inc. with another homeowner corporation (or similar organization) as provided by its Bylaws, its properties, rights and obligations may be transferred to another surviving or consolidated homeowners corporation, or, alternatively, a corporation may, by operation of law, be added to the properties, rights and obligations of Oak Grove P.U.D. Homeowners Association, Inc. as a surviving corporation pursuant to a merger. The surviving or consolidated homeowners corporation or association may administer the covenants and restrictions established by this Declaration within the Existing Property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the Existing Property except as hereinafter provided.

### ARTICLE III

#### AGREEMENT TO JOIN ASSOCIATION; ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

##### Section 1. Membership.

1. Every person or entity who is the owner of record of a fee interest in any Lot or who is purchasing one or more Lots under a contract or purchase agreement within the Properties shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, this Declaration, the Bylaws, and all the Rules and Regulations. For this purpose, ownership of a Lot under any unit ownership arrangement or agreement shall be deemed ownership of a Lot. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. Ownership of such Lot shall be the sole qualification for membership. When any Lot is owned of record in joint tenancy or tenancy in common or by some other legal entity, or when two or more persons or other legal entity are purchasing one or more Lots under contract or agreement of purchase, the membership as to such unit(s) shall be joint and the rights of such membership (including the voting power arising therefrom) shall be exercised only as stipulated in Section 2 hereinbelow).

2. During any period in which a member shall be in default in the payment of any annual, special, or other periodic assessment levied by the Association, the voting rights and right to the use of the Common Areas or any other facilities which the Association may provide may be suspended by The Board of Directors, such member's voting and use rights may be suspended by the Board

after a hearing at which the general requirements of due process shall be observed. Such hearing shall only be held by the Board (or a committee thereof) after giving such member ten (10) days prior written notice by registered or certified mail specifying such alleged violation shall be made by a majority vote of the Board or the Committee thereof, and such action shall thereby be conclusive.

3. No membership fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each Member's Lot as specified in the Declaration, the By-laws, or as the members of the Association may from time to time hereafter adopt.

Section 2. Voting and Voting Rights.

1. The voting rights of the membership shall be appurtenant to the ownership of the Lot. There shall be two (2) classes with respect to voting rights:

A. Class A. Class A members shall be the owners with the exception of the DECLARANT and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The votes for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

B. Class B. The Class B members shall be the DECLARANT and its successors and assigns. The Class B members shall be entitled to nine (9) votes for each Lot in which it holds the interest required for membership as provided in Section 1 of this Article III.

Termination of Class B. From time to time the Class B Member may cease and be converted to Class A Members, and any Class B Lots, Units and Parcels then subject to the terms of this Declaration shall become Class A Lots, Unites and Parcels upon the happening of any of the following events, whichever occurs earlier:

(i) When the total votes outstanding in the Class A Members equal the total votes outstanding in the Class B Members.

(ii) When 75% of Lots, Units and Parcels have been deeded to persons who are Owners.

(iii) On December 31, 2020.

(iv) When the Declarant waives, in writing, its right as as Class B Member.

Notwithstanding the foregoing, if at any time or times subsequent to any such conversion, additional land is added by the Declarant to the Property, such additional land shall automatically be and become Class B Lots, Units or Parcels, as appropriate. In addition, if following such additions of land, the total votes allocable to all Lots, Units and Parcels then owned by the Declarant (calculated as if all such Lots, Units and Parcels are Class B, whether or not they are) shall exceed the remaining total votes outstanding in the remaining Class A Members (i.e., excluding the Declarant), then any Class A Lots, Units and Parcels owned by the Declarant shall automatically be reconverted to Class B. Any such reconversion shall not occur, however, if either occurrence (ii), (iii) or (iv) above shall have taken place.

2. Any Member who is delinquent in the payment of any charges duly levied by the Association against a Lot owned by such Member shall not be entitled to vote until all such charges, together with such reasonable penalties as the Board of Directors of the Association may impose, have been paid.

3. Voting on all matters except the election of directors shall be by voiced vote or by show of hands unless a majority of the Members of each Class present at the meeting shall, prior to voting on any matter, demand a ballot vote on that particular matter. When directors or officers are to be elected by the Members, the solicitation of proxies for such elections may be conducted by mail.

#### ARTICLE IV

##### PROPERTY RIGHTS IN THE COMMON AREAS/COMMUNITY PROPERTIES

Section 1. Members' Easement of Enjoyment. Subject to the provisions of Section 3 below, each Member of the Oak Grove Homeowners' Association shall have a non-exclusive right and easement of enjoyment in and to the Community Properties and such easement shall be appurtenant to and shall pass with the title to every Dwelling Unit situated within Oak Grove.

Section 2. Title to Community Property. The Declarant may retain the legal title to the Community Properties until such time as it has completed improvements thereon and until such time as, in the opinion of the Declarant, the Oak Grove Homeowners' Association is able to maintain the same, provided however, all Common Areas in Community Properties shall be conveyed to the

Association free and clear of all encumbrances not later than the time FHA, VA, FNMA or PHLMC or any of them insures the first mortgage upon lots included within the lands subject to the Oak Grove Declaration of Covenants, Conditions and Restrictions.

Section 3. Extent of Members' Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

1. The right of the Association to limit the use of the Common Areas to Dwelling Unit or Lot Occupants, their families and bona fide guests in accordance with written rules and regulations promulgated by the Association from time to time.
2. The right of the Association to suspend the voting and enjoyment rights of an Owner for any period during which any assessment against his Unit remains unpaid, or for any infraction of the Association's published rules and regulations.
3. The rights of the Association to dedicate, mortgage or transfer all or any part of the Common Areas or Community Properties to any public agency, authority, utility or mortgagee is subject to such condition as may be agreed to by the members. No such dedication, mortgage or transfers of the Common Areas or Community Properties shall be effective unless the members entitled to at least two-thirds (2/3rds) of the total votes appurtenant to Class A lots shall agree to such dedication, mortgage or transfer, provided this Paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cable television, water and sewage, utilities and drainage facilities and the like upon, over, under and across the Common Areas without the assent of the membership when such easements are requisite for the convenience, use and enjoyment of the Properties. For purposes of this Paragraph, the Declarant (Class B Member) shall have no voting rights.
4. The right of the Developer and Association to impose reasonable covenants and restrictions in respect to such Common Areas, in addition to those set forth therein at the time of conveyance of such Properties to the Oak Grove Homeowners' Association and such covenants and restrictions will be incorporated by reference and made a part of this Declaration.
5. Owners shall have no individual liability for damage occurring to Common Areas, Community Properties or lots in Oak Grove unless such damage was caused by such Owner.

6. If ingress or egress to any residence is through a Common Area or Community Property, any conveyance or encumbrance of such Common Area or Community Property shall be subject to an easement in favor of the Owner whose ingress or egress to this residence is through such Common Area or Community Property.

Section 4. Extension of Rights and Benefits. Every Member of the Oak Grove Homeowners' Association shall have the right to extend the rights and easements of enjoyment vested in him under this Article to his tenant(s) and to each member of an occupant's family who resides with him within Oak Grove, and to such other person as may be permitted by the Oak Grove Homeowners' Association.

**SECTION V  
ASSESSMENTS  
OAK GROVE**

Section 1. Creation and Purpose of General Assessments: There are hereby created General Assessments for Common Expenses of Oak Grove as may from time to time be specifically authorized by the Board of Directors to be commenced at the time and in the manner set forth in this Article.

General Assessments shall be allocated based on voting rights provided, however, anything herein to the contrary notwithstanding, Declarant may annually elect in writing either of the following alternatives as a method of paying its General Assessments:

- A. pay the General Assessment for Lots, Units and Parcels as set forth in this Section for a Class A Owner of Lots, Units or Parcels, within thirty (30) days after receipt of notice of General Assessment; or
- B. pay to the Association the difference between the amount received in General Assessments from all Owners other than the Declarant and the amount of the actual expenditures required to operate the Association for the year.

Payment under either of the foregoing options shall constitute full payment by Declarant of all General Assessments owed under this Declaration.

General Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the General Assessment for delinquents.

Section 2. Computation of General Assessment: It shall be the duty of the Board, at least sixty (60) days before the beginning of the fiscal year, and thirty (30) days prior to the meeting at which the budget shall be presented to the Members, to prepare a budget covering the estimated costs of operating the Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared. The Board shall cause a copy of the approved budget, and the amount of the General Assessments to be levied against each Lot, Unit or Parcel, for the following year to be delivered to each Owner at least fifteen (15) days prior to the meeting.

Notwithstanding the foregoing, however, in the event the Board fails for any reason to approve the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

The Board may not, without the vote or written consent of Owners representing a majority of the Class A votes of the Association, impose a General Assessment per Lot, Unit or Parcel which exceeds the General Assessment per Lot, Unit or Parcel for the immediately preceding fiscal year by more than ten percent (10%); provided, however, in determining whether any increase is within the limitation imposed by this paragraph, the amount of any increase due to increased cost of utilities or insurance, except for annexation of additional Common Areas, damage by acts of God, and increase in the capital contribution and reserve fund shall not be included.

Section 3. Capital Budget and Contribution: The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, the expected repair or replacement cost, and the manner of payment of same. The board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing of General Assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and General Assessment, as provided in this Article. A copy of the capital budget shall be distributed to each Member in the same manner as the operating budget.

Section 4. Creation and Purpose of Special Assessments: In addition to the General Assessment authorized in this Article, the Association may levy Special Assessments in any year applicable to that year for the purpose of defraying in whole, or in part, the

cost of construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property related thereto, costs required to enforce the provisions of this Declaration, and other expenses of the Association.

A. In the event that excess funds result from a Special Assessment or for any other reason, the Board of Directors shall have the power to return all or part of such excess funds, or to place said funds in the Association's general or reserve accounts as they shall determine.

B. The Board of Directors may also levy a Special Assessment against any Member to reimburse the Association for costs incurred in bringing a Member and such Member's Lot, Unit or Parcel into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the By-Laws and the Association rules and regulations, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing.

Section 5. Payment of General and Special Assessments:  
Each Owner, by acceptance of his or her deed or recorded contract for sale, is deemed to covenant and agree to pay these General and Special Assessments. Special Assessments shall be allocated based on voting rights provided, however, anything herein to the contrary notwithstanding, Declarant may annually elect in writing either of the following alternatives as a method of paying its Special Assessments:

A. pay the Special Assessment for Lots, Units and Parcels owned by the Declarant as set forth in this Section for a Class A Owner of Lots, Units or Parcels within thirty (30) days after receipt of notice of Special Assessment; or

B. pay to the Association the difference between the amount received in Special Assessments from all Owners other than the Declarant and the amount of the actual expenditures required to operate the Association for the year.

Payment under either of the foregoing options shall constitute full payment by Declarant of all Special Assessments owned under this Declaration.

Special Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors.

Section 6. Date of commencement of General and Special Assessments: The prorated portion of the General and Special Assessments provided for herein shall commence as to all Lots, Units or Parcels on the first day of the month following the date of the conveyance of the initial Common Area. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first General and/or Special Assessments shall be adjusted according to the number of months then remaining in that fiscal year.

Section 7. Lien for Assessments: Upon recording of a notice of lien, there shall exist a perfected lien for unpaid General and/or Special Assessments on the respective Lot, Unit or Parcel prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any Institutional first Mortgage.

A. Such lien, when delinquent, may be enforced by either suit, judgment and/or foreclosure by the Association.

B. Any Assessment not paid within thirty (30) days after the due date shall be considered "Delinquent" and Past Due. Past due General and Special Assessments shall bear interest at the highest rate permitted by law, together with a late fee of \$25.00 per month. General and Special Assessments and interest, late fees, costs and Attorneys Fees shall be a charge on the Lot, Unit or Parcel and shall be a continuing lien upon the Lot, Unit or Parcel, against which each General and/or Special Assessment is made. The Association may accelerate payments of annual assessments on all accounts considered Past Due or "delinquent." Any payment received by an association shall be applied first to any interest accrued by the association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

C. Each such General and/or Special Assessment, together with interest, cost and Attorneys Fees, shall also be the personal obligation of the Person who was the Owner of such Lot, Unit or Parcel at the time the General and/or Special Assessment arose, and such Owner's grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance except no Mortgagee holding and owning a first Mortgage and who obtains title to a Lot, Unit or Parcel pursuant to the remedies provided in the Mortgage shall be liable for unpaid General and/or Special Assessments which accrued prior to such acquisition of title.

D. The Association shall have the power to bid for a Lot, Unit or Parcel at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. Suit to recover a money judgment for unpaid General and Special Assessments, Attorney's Fees and costs shall be maintainable without foreclosing or waiving the lien security same.

Section 8. Effect of Sale or Transfer: The sale or transfer of any Lot, Unit or Parcel shall not affect the General and/or Special Assessment lien. However, the sale or transfer of any Lot, Unit or Parcel pursuant to judicial or nonjudicial foreclosure of an Institutional first Mortgage shall extinguish the lien of such General and/or Special Assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot, Unit or Parcel from lien rights for any General and/or Special Assessments thereafter becoming due. Where the Mortgagee of an Institutional First Mortgage of record obtains title, its successors and assigns shall not be liable for the share of the common expenses or General Assessments by the Association chargeable to such Lot, Unit or Parcel which become due prior to the acquisition of title to such Lot, Unit or Parcel by the Mortgagee, except for assessments levied as provided in Article VIII, Section 2 of this Declaration. Such unpaid share of General and/or Special Assessments shall be deemed to be a Common Expense collectible from all of the Lots, Units or Parcels, including the Mortgagee, its successors and assigns.

## ARTICLE VI

### ARCHITECTURAL, MAINTENANCE AND USE RESTRICTIONS

The Developer shall have the responsibility of functioning as the Architectural Control Committee, hereinafter referred to as the "Committee", and enforcing the restrictions set forth in this Article prior to the formation of the Committee, which upon appointment, shall assume and shall be responsible for enforcement. Reference in this Article to Committee shall mean the Developer until the Committee is appointed. The following architectural, maintenance and use restrictions shall apply to each and every Lot or Lots or any other structure now or hereafter subjected to this Declaration.

Section 1. Approval of Plans and Architectural Committee. For the purpose of further insuring the development of said land as a residential area of highest quality and standard, and in order that all improvements shall present an attractive and pleasing appearance from all sides of view, the Committee reserves the exclusive power and discretion to control and approve all of the buildings, structures and repairs and/or improvements on each Lot in the manner and to the extent set forth herein. No

residence or other building, and no building, and no fence, wall, utility yard, driveway, swimming pool or other structure or repairs and/or improvement, regardless of size or purpose, whether attached to or detached from the main structure, shall be commenced, placed, erected or allowed to remain on any Lot, nor shall any addition to or exterior change or alteration thereto be made, unless and until building plans and specifications covering same, showing the nature, kind, shape, heights, size, materials, floor plans, exterior color schemes, location and orientation and approximate square footage, construction schedule, front, side and rear elevations and such other information as the Committee shall require, including, if so required, plans for the grading and landscaping showing any changes proposed to be made in the elevation or surface contours of the land, have been submitted to and approved in writing by the Committee. All architectural, remodeling and/or landscape plans must be accompanied by site plans which show the siting of structures on each side of the building under consideration. The Committee shall have the absolute and exclusive right to refuse to approve any such building plans and specifications and lot grading and landscaping plans which are not suitable or desirable in its opinion for, any reason, including purely aesthetic reasons and reasons connected with future development plans of the Developer of said land or contiguous land. In the event the Committee rejects such plans and specification as submitted, the Committee shall so inform the property Owner in writing stating with reasonable detail the reason(s) for disapproval and the Committee's recommendations to remedy same if in the sole opinion of the Committee a satisfactory remedy is possible. In passing upon such building plans and specifications and lot grading and landscaping plans, the Committee may take into consideration the suitability and desirability of proposed constructions and of the materials of which the same are proposed to be built, to the building plat upon which it is proposed to erect the same, the quality of the proposed workmanship and materials, the harmony of external design with the surrounding neighborhood and existing structures therein, and the effect and appearance of such constructions as viewed from neighboring properties. In addition, there shall be submitted to the Committee for approval such samples of building materials proposed to be used as the Committee shall specify and require.

Section 2. Prerequisites. As a prerequisite to consideration for approval, and prior to beginning the alteration or improvement work contemplated, two (2) complete sets of plans and specifications must be submitted to the Committee. Upon giving written approval, construction shall be started and prosecuted to completion promptly, and in strict conformity with such plans and specifications. Committee shall be entitled to stop any construction in violation of these restrictions and any such exterior addition to or change or alteration made without application having first been made and approval obtained as

provided above, shall be deemed to be in violation of this covenant and may be required to be restored to the original condition at Owner's cost.

The Committee shall have the right to charge a reasonable fee for receiving each application for approval of plans and specification subsequent to initial construction and sale. Said fee shall not exceed Fifty Dollars (\$50.00) for each Owner review unless otherwise amended.

1. All structures must be built to comply substantially with the plans and specifications as approved by the Committee and, before any structure can be occupied, it must be completely finished.

2. Until such time as Developer divests himself of all lots within Oak Grove, the DECLARANT shall appoint from time to time the members of an Architectural Control Committee (the "Committee") to consist of not less than three (3) nor more than seven (7) members which shall exercise authority to approve plans and specifications, and Developer shall have the right to assign the Committee to the Oak Grove Homeowners' Association at any time. After the Developer divests himself of all lots within Oak Grove, the Committee shall be selected by a majority vote of the Board of Directors for their architectural, engineering and building knowledge and expertise.

### Section 3. Setbacks.

1. Minimum setback lines shown on the final Site Plan as required by Pasco County of the properties are not intended to engender uniformity of setbacks; they are meant to avoid overcrowding and monotony. Setbacks may be staggered where appropriate so as to preserve important trees, and assure vistas of water and open areas. The Committee reserves the right to select the precise site and location of each Unit or other structure on each lot, and to arrange the same in such manner and for such reasons as Committee shall deem sufficient. No building or structure or any part thereof shall be located on any lot nearer to the front line or nearer to a side street than the minimum setback lines shown on said final Site Plan or subject to this Declaration as an "addition" which is designated for attached or semi-attached dwellings. Any such building, structure or appurtenances thereupon may abut upon and be incorporated into any party wall and there shall be no side line setback requirements as to lot side lines upon which party walls are constructed.

2. Setback provisions herein prescribed may be altered by the Developer whenever in his sole discretion the topography or configuration of any lot in said subdivision will so require.

3. Dwellings. No Owner shall relocate, heighten, lower or otherwise move or change any fence, wall or patio adjoining or adjacent to any Common Areas.

#### Section 4. Living Area.

1. Dwelling Quantity and Size. Each single family dwelling shall be located on a lot and shall have a minimum living area as is more fully set forth on Exhibit "A" hereof, exclusive of screened and open porches, terraces, patios, garages and the like. Each dwelling shall have a minimum of two (2) inside bathrooms. The Declarant reserves the sole and exclusive right to determine minimum square footage requirements for any and all additions to existing property which may be subsequently added pursuant to Article II hereof. Additionally, the Declarant shall have the right to reduce the square footage standard when, in its sole discretion, it determines there are special site and architectural considerations involved or such other considerations as warrant such reduction.

2. All single family detached dwellings shall have at least a two (2) car enclosed garage (equipped with garage doors that shall be maintained in a useable condition) and concrete drive that will provide off-street parking for at least a total of two (2) vehicles.

3. Lot Area and Width. The area and width of each Lot on the Property upon which a building may be constructed shall be as shown on the approved plat for that property as the same may be amended from time to time. The area and width of each Lot on any additional Property annexed in accordance with the terms of this Declaration upon which a building may be constructed shall be as shown on any subsequent Plat of said additional Property, as the same may be amended from time to time, which plat shall be recorded in the Public Records of Pasco County, Florida.

#### Section 5. Land Use.

1. By or with the written consent of the Committee, one or more lots (as shown on The Approved General Plan of Development) or parts thereof, may be resubdivided or combined to form one single building lot; provided, however, in such event, the resulting lots shall not be smaller in total area than either of the original lots prior to such subdivision.

2. Only one (1) private dwelling shall be erected, constructed, placed or maintained on any one of the residential platted lots in said subdivision as same are now platted according to said recorded plats of said subdivision, except that more than one lot may be used for one private residence.

3. No building shall be erected, altered, placed or permitted to remain on any residential lot other than one single-family dwelling.

4. No structure of temporary nature or character shall be used as a residence.

5. No building or structure shall be moved onto any Lot in the area covered by these restrictions, it being the intent of this imposition of restriction that any and all buildings of structures on any of the property

6. No building erected for use as a carport or garage upon the land hereby conveyed or upon any parcel thereof or any lot therein shall ever be used as a residence, nor shall any trailer or vehicle that could be used for housing of any kind be allowed to park or remain within the boundaries of any of the lots or common area, whether for dwelling purposes or not, except for loading and unloading purposes.

7. All dwellings shall be constructed with concrete driveways, completely sodded lawns, sidewalks the width of the Lot along the edge of all road right-of-ways, and a basic shrubbery planting across the front of the house and side of double frontage lots.

#### Section 6. Maintenance.

1. All Owners shall mow and maintain Lots prior to construction so as not to detract from value of surrounding area.

2. All Lots, together with the exterior of all improvements (if any) located thereon, shall be maintained in a neat and attractive condition by the respective Owners. Such maintenance shall include, but not be limited to painting, repairing, replacing, and caring for roofs, gutters, downspouts, building surfaces, trees, shrubs, walks and other exterior improvements.

3. In the event the Owner shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Association, after approval by a majority vote of its Board of Directors, the Association shall have the right, through its agents and employees, to enter upon said Lot and the exterior of the buildings and any other improvements erected thereon and perform such maintenance as approved by the Board. The cost of such exterior maintenance shall be added to and become part of an assessment to which such lot is subject and Owner shall be personally liable to the Association for the costs of such maintenance, and the costs, until paid, shall be a permanent charge

and lien upon such lot. Entry to perform maintenance shall be only between the hours of 7:00 A.M. and 6:00 P.M. on any day except Sunday. Such entry as herein provided shall not be a trespass, nor shall the Association be liable for doing anything reasonably necessary or appropriate in connection with carrying out these provisions.

4. To preserve the natural integrity and beauty of the land, water runoff, etc., no trees, shrubs, bushes or other vegetation having a diameter of three (3) inches or more shall be cut, destroyed or mutilated except with the prior written consent and permission of the Association; provided, however, that dead or diseased trees, shrubs, bushes, or other vegetation shall be cut and removed promptly from any lot by the property owner thereof after such dead or diseased condition is first brought to the attention of the Association and permission for such cutting and removal has been obtained.

Section 7. Screening or Other Uses.

1. No clothes lines of any configuration shall be installed or erected upon any lot so as to be in any way exposed to public view from any street or adjoining lot.

2. No mailbox, paperbox or other receptacle of any kind for the use and delivery of mail, newspapers or similar materials shall be erected on any Lot unless and until the size, location, design and type of material for said boxes or receptacles shall have been approved by the Architectural Control Committee and be in conformity with United States postal standards.

3. No house trailer or motor home shall be permitted to stay on any lot, common area, or public right-of-way. No boats, boat trailers, campers or any other such vehicle, trailer or vessel shall be permitted to stay on a public right-of-way or on a lot, street, or common area, unless permanently enclosed in a garage and not visible from public view. Temporary buildings and other structures shall be permitted for offices, storage or as a temporary real estate sales Office of DECLARANT or his authorized agent for the sale of land and residences. No carport, garage, outbuilding, or other appurtenant structure shall be used for residential purposes, either temporarily or permanently. No vehicles shall be parked over night except on driveway pads or within garages.

4. No house or other structure on any residential lot shall be used for commercial or business purposes. This shall not apply to Model Homes so designated by the DECLARANT. Each owner shall refrain from any act or use of his lot which could reasonably

cause embarrassment, discomfort, annoyance, or nuisance to the neighborhood. No noxious, offensive or illegal activity shall be carried on upon any lot. No lot shall be used in whole or in part for storage of rubbish of any character whatsoever, nor shall any substance, thing or material be kept upon any lot which will emit foul or noxious odors, or that will cause any noise that will or might disturb the peace and quiet of the occupants or surrounding property. No trash, rubbish, stored materials, off-road, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any lot outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other such debris for pickup by garbage and trash removal service units. In the event that any Owner of any Lot fails or refuses to keep such property free from any of the foregoing unsightly items, weeds or underbrush, the Association may, at its option, ten (10) days after posting a notice thereon or mailing a notice to said Owner to comply with requirements of this Paragraph, enter and remove all such unsightly items and growth at said Owner's expense, and Owner shall be personally liable to the Association for the costs of removal, and the costs until paid shall be a permanent charge and lien upon such Lot. By acquiring property subject to these restrictions, each and every Owner agrees to pay such costs promptly upon demand by the Association, their agents, assigns, or representatives. No such entry as provided herein shall be deemed as a trespass. The provisions of this section shall not apply to lots upon which houses are under construction.

5. No window air conditioning units shall be installed without prior written approval of the Committee.

6. Garbage and Trash Removal. All trash, garbage and other waste shall be kept in sanitary containers and shall be kept within an enclosure or properly screened so as to be out of sight from the front or side streets, except when placed at a designated pickup location, not earlier than 6:00 P.M. on the day preceding the day of trash pickup.

#### Section 8. Fences, Hedges and Landscaping.

1. All the landscape plans, fences and hedges must receive prior written approval from the Association before implementation.

2. Hedges shall be grown no higher than three (3) feet from the street right-of-way to minimum building setback line. No fence of any type shall be permitted between the street right-of-way and the back building line of the main structure. Fences, boundary walls and hedges shall not exceed six (6) feet in height

from the back building line of the main structure to the rear property line, unless written approval is received from the Association. No fence, boundary wall or hedge wall shall exceed six (6) feet in height regardless of location. No fence, boundary wall or hedge regardless of location may be constructed within twenty (20) feet of the right-of-way for any street.

3. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight line triangles as delineated on the plat of the subdivision shall be permitted. No trees shall be planted within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

4. Fencing. All fences shall be constructed of wood and all exposed stringers and posts shall be visible only from the interior of the subject lot and not from the exterior. No chain link fences shall be permitted upon a residential lot. Chain link fences may be permitted in Common Area recreational areas as deemed essential by the Association. No chain link fence may be erected without written consent of the Developer or Architectural Control Committee.

5. Reflective Material. No aluminum foil shall be placed in any window or glass and no reflective substance shall be placed on any glass of a residence except such as may be approved for energy conservation purposes by the Architectural Control Committee.

#### Section 9. Animals.

1. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any lot, except household pets for the sole pleasure and purpose of the occupants, but not for any commercial use or purpose. Birds shall be confined to cages. In no event shall more than three (3) pets be housed on any lot either of one (1) type or combination thereof.

2. No person owning or having possession, charge, custody, or control of any pet shall cause, permit or allot the pet to stray, run, be, go or in any other manner be at large in or upon any public street, sidewalk or park, or on private property of others without the express or implied consent of the Owner of such private property and unless under the Owner's supervision and

control. Governmental or municipality leash laws apply at all times.

Section 10. Signs. No signs of any kind shall be displayed to the public view on any Lot, except one professional sign measuring no more than sixteen (16") inches tall and sixteen (16") wide, and shall not extend more than four (4') feet above the ground, advertising the Lot for sale or rent, or signs used by DECLARANT to advertise the Property during construction and sales period. DECLARANT'S or his Authorized Agent's signs shall not be subject to the size limitation set forth herein.

Section 11. Utilities.

1. All residential utility service lines (including, without limitation, electricity, telephone, any and all types of radio and television lines, cables, etc.) to the Lots shall be underground, unless approved by DECLARANT or Committee, provided however, this restriction shall not be construed to prohibit the installation or construction of one or more central utility service relay towers in the event such is, in the Committee's sole discretion, deemed necessary.

2. Antenna Dish. No Lot Owner shall install or permit any exterior antenna or satellite or communications dish upon any lot, a building on a lot, or a Common Area.

Section 12. Wells and Lakes.

1. Except with the prior written approval and permission of the Committee, no water well shall be sunk or drilled on any Lot. However, DECLARANT reserves the right to locate wells and pumping stations designated for such use.

2. The DECLARANT or Association shall have the sole and absolute right, but no obligation to control the water level of the lakes located within Oak Grove, and to control the growth and eradication of plants, fowls, reptiles, animals, fish and fungi in lakes. Access to such areas over lots during daylight hours shall not be deemed trespassing.

3. No Lot Owner or resident shall have any right to pump or otherwise remove any water from lakes, retention areas, ponds or common areas for the purpose of irrigation or other use, nor to place rocks, stones, trash, garbage, sewer, water discharge from swimming pools or heating or air conditioning systems, waste water (other than surface drainage), rubbish, debris, ashes, or other refuse in any of the lakes, ponds or retention area(s), or on any Common Area.

**Section 13. Noxious Activities.**

1. The pursuit of hobbies, professions, or other inherently dangerous activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might cause disorderly, unsightly or unkempt conditions; the shooting of firearms, fireworks or pyrotechnic devices of any type or size; and other such activities shall not be pursued or undertaken on any part of any lot or the Common Areas without the consent of the Developer or Association.

2. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance to the neighborhood.

3. No commercial vehicles shall be permitted to remain overnight on the property of a private dwelling within Oak Grove, other than as may be used by the DECLARANT in conjunction with construction operations.

4. No private pickup trucks or vans exceeding a 3/4 ton weight limit, or trailers, and no unlicensed motor vehicles of any type shall be permitted to remain overnight on the lot of a private dwelling or Common Area unless approved by the Board of Directors.

5. No individual water supply system will be permitted upon any Lot except for sprinkler systems, swimming pools or air conditioners.

**Section 14. Storage of Materials and Equipment Placement.**

1. Incinerators for garbage, trash or other refuse shall not be used or permitted to be erected or placed on any lot. Any and all equipment, coolers, water conditioners, pool filters and/or heating equipment, woodpiles, garbage cans, refuse or storage piles placed on a lot (whether temporary or permanent) shall be walled, fenced or landscape buffered to conceal same from the view of the neighboring lots, roads, streets, the waterfront or open areas. Plans for all screens, walls, and enclosures must receive written approval by the Committee prior to construction.

2. No lumber, brick, stone, cinder block, concrete or other building materials, scaffolding, mechanical devices or any other thing shall be used for longer than the length of time reasonably necessary for the construction to completion of the improvement for which same is to be used.

3. No exposed above-ground tanks will be permitted for the storage of fuel or water or any other substances, except for water tanks that may be constructed by DECLARANT for the storage of potable water for the community and fuel tanks for DECLARANT'S use during construction operations with the prior written approval of the Committee.

Section 15. Easement Rights. Easements are expressly provided for and reserved in favor of the occupants of the Property, their guests and invitees, for ingress and egress over and about the Common Areas for the purpose of entering and leaving the Property and for vehicular traffic over and across such portions of any Common Areas as are used as roads within the Development Area. The rights provided under this easement shall be exercised by the foregoing parties in a manner so as not to interfere with the use and enjoyment of any Common Areas by the dwelling occupants, their families, guests or tenants. The use by DECLARANT, his agents or employees, of the easement described herein during the construction period shall not be deemed as interference of the use and enjoyment of the Common Area.

Section 16. Windows. All metal windows shall have a black, white or bronze finish; wood windows shall be painted to be in harmony with the exterior color of the house. DECLARANT reserves the right to allow other color finishes for metal windows. However, mill bright finished windows are prohibited.

Section 17. Ponds. All ponds owned by the Association which are designed to retain water on a continuous basis shall be restricted for use solely by those Owners whose lots abut such ponds. Only boats which utilize manual or wind propulsion (i.e., canoes, row boats and sailboats) shall be allowed on the ponds. All Lot Owners whose lots abut the ponds shall be responsible for maintenance of the area formed by the extension of their lot lines unto the waters edge. No fences, hedges, walls or any other structures may be erected within twenty (20') feet of the real lot line of those lots abutting the pond areas without the prior written approval of the adjacent Property Owners. No Lot Owner shall be permitted to withdraw waters from any Common Area, including but not limited to, ponds owned by the Homeowners' Association.

Section 18. Regulatory Agency Requirements.

1. Each Lot Owner shall, at the time of construction of a building, residence or other structure, to comply with the construction plans for the surface water management system pursuant to Chapter 40D-4, F.A.C., approved and on file with the Southwest Florida Water Management District. (SWFWMD).

2. No Owner whose lot abuts a wet detention pond as defined in the construction plans for the surface water management system as identified in No. 1 above, shall remove native vegetation (including cattails) that become established within the wet detention ponds abutting their property. Removal includes dredging, the application of herbicide, cutting and the introduction of grass carp. Lot Owners should address any question regarding authorized activities within the wet detention pond to SWFWMD, Brooksville Permitting Division.

3. No Owner may construct or maintain any building, residence, or structure, or undertake or perform any activity in the wetlands, buffer areas, and upland conservation areas, as applicable, described in the approved permit and recorded plat of Oak Grove, unless prior approval is received from SWFWMD, pursuant to Chapter 40D-4.

#### Section 19. Miscellaneous.

1. No Owner or occupant other than the DECLARANT shall excavate or extract earth from any of the lots subject to this Declaration for any business or other commercial purpose. No elevation changes shall be permitted which materially affect surface grade of surrounding lots. No lot shall be increased in size by filling in the water it abuts.

2. No private or outside toilet facilities shall be constructed or maintained on any lot other than those used during construction operations.

3. Encroachment Easements. Notwithstanding any other provisions contained in this Declaration, in the event that any Unit, as constructed by the DECLARANT on a Lot, encroaches upon any portion of the Common Areas or adjoining Lots, then a perpetual easement appurtenant to such Lot shall exist for the continuance of any such encroachment on the Common Areas or adjoining Lots. In the event any fence, roof, overhanging roof, or portion of the Unit at constructed upon any Lot by DECLARANT, encroaches or overlaps upon any other Lot or the Common Areas, then, in such event, a perpetual easement appurtenant to the Lot upon which the fence, roof, overhanging roof, or Unit is constructed shall exist for the continuation of any such encroachment or overlapping upon the adjoining Lots and Common Areas.

4. Installation and use of play equipment shall be limited to the rear of each lot only, and no closer than five (5') feet to the property lines.

5. Amendments. Any amendment to these documents which would affect the surface water management system, including the water management portions of the Common Areas, must have the prior approval of the Southwest Florida Water Management District.

6. Enforcement. Declarant reserves unto itself the right, and the power to enforce the covenants, conditions, rights and other provisions of this Declaration, and to delegate or assign either exclusively or non-exclusively, any or all of its rights, powers, duties or privileges hereunder to the Development Review Committee, the Association or to any Owner or to any other person.

## ARTICLE VII

### INSURANCE

Section 1. Directors and Officers Indemnification. Each Director and Officer and member of the "Committee" of this Corporation shall be indemnified by the Corporation against all costs and expenses reasonably incurred or imposed upon him in connection with or arising out of any action, suit or proceedings in which he may be involved or to which he may be made a party by reason of his having been a Director or Officer of this Corporation, such expense to include the cost of reasonable settlements (other than amounts paid to the Corporation itself made with a view of curtailment of costs of litigation. The Corporation shall not, however, indemnify such Director and Officer with respect to matters as to which he shall be finally adjudged in any such action, suit or proceedings to be liable for negligence or misconduct in the performance of his duty as such Director or Officer or in respect to any matter in which any settlement or compromise is affected if the total expense, including the cost of settlement, shall substantially exceed the expense which might reasonably be incurred by such Director or Officer in conducting such litigation to final conclusion, and in no event shall anything herein contained be construed as authorizing this Corporation to indemnify any such Director or Officer against any liability of the Corporation to which he would otherwise be subject by reason of willful malfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of this office. The foregoing right of indemnification shall be in addition to any other rights to which any such Director or Officer may be entitled as a matter of law or otherwise.

Section 2. Personal Liability and Risk of Owner Loss(es) and Separate Insurance Coverage, etc. The Owner of each unattached Dwelling Unit/Lot will, at his own expense, obtain insurance coverage for loss of or damage to a Unit as developed, and at his Discretion, any furniture, furnishings, personal effects and other personal property belonging to such owner; and may, at his own

expense and option, obtain insurance coverages for personal liability against injury to the person or property of another while within such Owner's Lot, or upon the Common Areas. All such insurance obtained by the Owner shall, wherever such provision shall be available, provide that the insurer waives its right of subrogation as to any claims against other Owners of Lots, Association, and the respective servants, agents and guests of said other Owners and Association. Risk of loss or damage to any furniture, furnishings, personal effects and other personal property (other than such furniture, furnishings and personal property constituting a portion of the Common Areas) belonging to or carried on the person of the Owner of each Lot, or which may be stored in any Unit, or in, to or upon Common Areas shall be borne by the Owner of each such Unit as developed. All furniture, furnishings, and personal property constituting a portion of the Common Areas and held for the joint use and benefit of all Owners of all Lots, shall be covered by such insurance as shall be maintained in force and effect by Association as hereinafter provided as pro-rated expense of the individual Owner. The Owner of Lots shall have no personal liability for any damage caused by the Association or in connection with the use of the Common Areas. The Owner of a Lot shall be liable for injuries or damages resulting from an accident on his own Lot, and shall be liable for all accidents occurring within his respective Lot as developed only to the extent Florida law imposes legal responsibility upon such Owner.

Section 3. Insurance Coverage to be Maintained by Association; Insurance Trustee, Appointment and Duties; Use and Distribution of Insurance Proceeds, etc.; Common Areas, Structures, and their contents, and the operation and management thereto, to-wit:

1. The Association will maintain casualty insurance covering Common Areas in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the insurance carrier, each coverage to afford protection against (i) loss or damage by fire or other hazards covered by the standard extended coverage or other perils including windstorm endorsement and (ii) such other risks of a smaller or dissimilar nature as are or shall be customarily covered with respect to buildings, similar in construction, location and use, including vandalism, malicious mischief, and such other insurance coverages as and to the extent available, which may from time to time be deemed by the Board of Directors of the Association to be necessary and proper and in the best interests of the Association and the Owners therein;

2. Public liability and property damage insurance in such amounts and in such form as shall be required by Association to protect said Association, which may from time to time be deemed

by the Board of Directors of the Association to be necessary and proper and in the best interests of the Association and the Owners therein; provided, however, that in any event said public liability and property damage insurance shall cover all common areas, public ways, and any other areas which are under the supervision of the Association. Further said insurance shall cover all commercial spaces that are owned by the Association. Said insurance shall provide coverage of at least \$1,000,000.00 for bodily injury and property damage for any single occurrence. Said insurance shall provide coverage for (i) bodily injury and property damage that results from the operation, maintenance or use of the Common Areas; and (ii) any legal liability resulting from lawsuits related to employment contracts in which the Association is a party. Said policies shall provide for at least ten (10) days written notice to the Association before the insurer can cancel or substantially modify it.

3. Workmen's Compensation Insurance to meet the requirements of Law;

4. Fidelity Bonds. The Association shall provide a blanket fidelity bond for any person who either handles or is responsible for funds held or administered by the Association, whether or not said persons receive compensation for their services. Any management agent that handles funds for the Association shall be required to provide evidence of coverage under a fidelity bond. Except for fidelity bonds that a management agent obtains for its personnel, all other fidelity bonds shall name the Association as an obligee and shall have their premiums paid as a common expense of the Association. Said bonds shall provide for coverage in the amount of the maximum funds that will be in the custody of the Association or its management agent at any time while the bonds are in force and in any event said fidelity bonds must cover at a minimum an amount equal to the sum of three (3) months assessments on all property, plus the Association's reserve funds. The bonds shall include a provision providing for ten (10) days' written notice to the Association or insurance trustee before the bonds can be cancelled or substantially modified for any reason. The bonds shall provide that this same notice must also be given to each servicer that services a Federal National Mortgage Association-owned mortgage in the Property.

5. Such other insurance coverage, other than title insurance, as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interests of the Association and the Owners of all Lots.

ALL insurance coverage authorized to be purchased shall be purchased by Association for itself and for the benefit of all of the Owners of all Lots. The cost of obtaining the insurance

coverage authorized above is declared to be a pro-rated expense of the Unit/Lot Owners, as are any other fees and expenses incurred which may be necessary or incidental to carry out the provisions hereof.

ALL policies of casualty insurance shall provide for the insurance proceeds covering any loss to be payable to the Association as Insurance Trustee, or to its successor, and the insurance proceeds from any casualty loss shall be held for the use and benefit of the Association and all Owners and their respective Mortgagees, as their interests may appear, and such insurance proceeds shall be applied or distributed in the manner herein provided. Association is hereby declared to be and appointed as Authorized Agent for all of the Owners for the purpose of negotiating and agreeing to a settlement as to the value and extent of any loss which may be covered under any policy of casualty insurance, and is granted full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insured property.

The company or companies with which casualty insurance may be placed shall be selected by the Association, and all parties beneficially interested in such insurance coverage shall be bound by such selection of insurance company or companies made by the Association.

The Association shall have the right to function as or designate a bonded Insurance Trustee, and all parties beneficially interested in such insurance shall be bound thereby. If it appears that the insurance proceeds covering the casualty loss or damage repairs, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be sufficient, then Association shall levy and collect an assessment against the Owners of all Lots in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of loss of or damage to property covered by such casualty insurance, the Association shall, within sixty (60) days after any such occurrence obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before such loss or damage, such estimates to contain and include the cost of any professional fees and premiums for such Bond as the Board of Directors or Association may deem to be in the best interests of the membership of said Association.

## ARTICLE VIII

GENERAL PROVISIONS

Section 1. Covenants Run with Land. All restrictions, reservations, covenants, conditions and easements contained in this Declaration shall constitute covenants running with the land, and all grantees, devisees, or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions of this Declaration and the Articles of Incorporation and By-Laws of the Association, which will be the entity responsible for the operation and maintenance of the Common Areas.

Section 2. Enforcement. The Association, the DECLARANT or any Owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by Judgment or Court Order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 4. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a terms of forty (40) years from the date this Declaration is recorded, after which time said covenants shall automatically be extended for successive periods of ten (10) years. The Covenants, Conditions and Restrictions of this Declaration may be amended by an instrument approved by not less than two-thirds (2/3rds) of the Unit Owners. Any amendment must be properly recorded, provided further however, that the Declarant must file (i) the amendments referred to in Article II of this Declaration for the purpose of adding additional property to the Property and for submitting such additional property to this Declaration; and (ii) any amendments hereto required by the Federal National Mortgage Association or Veteran's Administration or Federal Home Loan Mortgage Corporation or similar entities, and (iii) any amendment required by any utility, water management district, or any governmental body or regulatory authority with jurisdiction over the Property, by an instrument executed only by DECLARANT. Such amendment need not be signed or executed in the manner otherwise provided for herein and shall not require the consent of the Members.

In any event, this Declaration may not be amended without the Declarant's written consent, so long as the Declarant owns any land in Oak Grove.

Section 5. Remedy for Violation. For violation of a breach of any of the provisions herein, of the provisions of the Articles of Incorporation or By-Laws of the Association, by any person claiming by, through or under the DECLARANT and/or the Association, or by virtue of any judicial proceedings, the Owner, or the Association, or the DECLARANT, or a first mortgagee, or any of them, shall have the right to proceed at law for damages and/or in equity to compel compliance with any of them or for such other relief as may be appropriate. In addition to the foregoing right, whenever there shall have been built upon the Property any structure which is in violation of this Declaration, the Association, upon the affirmative vote of a majority of the Board of Directors, may enter upon the property where such violation exists, and summarily abate or remove the same at the expense of the Owner, provided, however, that the Association shall then, at the expense of the Owner, make the necessary repairs or construction, to insure that the property and improvements where such violation occurred is restored to the same condition in which it existed prior to such violations, and any such entry, abatement, removal or restoration and construction work shall not be deemed a trespass. The Association shall have all lien rights against the Owner's Lot as set forth in this Declaration to enforce collection of all expenses incurred by the Association in abating or removing a violation and making necessary repairs to a Lot or Dwelling as set forth herein. In the event that resort this Section 5 becomes necessary, or it becomes necessary to engage the services of an attorney for enforcement of any of the provisions of this Declaration, then the defaulting parties shall be liable for any and all costs of enforcement, including but not limited to any attorneys' fees and expenses, and including any Court costs, attorneys' fees, or related expenses if legal proceedings are instituted.

Section 6. Effect of Waiver of Violation. No waiver of breach or violation of any of the terms, provisions and covenants in the Declaration, or in the Articles of Incorporation or By-Laws of the Association, shall be construed to be a waiver of any succeeding breach of the same term, provision or covenant to this Declaration, or the Articles of Incorporation or By-Laws of the Association.

Section 7. FHA-VA-FNMA-FHLMC Approval. As long as there is (i) a Class B membership, or (ii) a mortgage on a Lot that has been purchased or for which a commitment to purchase has been issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, or (iii) a mortgage on a Lot that is insured or guaranteed, or for which a commitment to insure or

guarantee has been issued, by the Federal Housing Administration or the Veteran's Administration, the following actions which require the prior approval of the Federal Housing Administration, the Veteran's Administration, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation, whichever the case may be: annexation of additional properties outside the Development Area; dedication of Common Areas; and the material amendment of this Declaration (other than for submitting property from the Development Area to the terms of the Declaration or making such amendments as required by a governmental authority or utility having jurisdiction over the Property); otherwise said approval will not be required.

Section 8. Instruments Governing Common Areas and Owners of Lots. This Declaration and the Articles of Incorporation, By-Laws of the Association, and any lawful amendments, from time to time, to said instruments shall govern the Common Areas and the rights, duties and responsibilities of the Owners of Lots.

Section 9. Declarant as Owner. During the sales period for the sale of the Lots in the Property or any additions thereto, or the sale of Lots in the Development Area, by Declarant to third parties, or of Lots in the Development Area, by Declarant to third parties, or during such time that Declarant owns any Lots for sale to a third party in the Property or the Development Area, the members of the Association shall not take any action that would interfere with or deter Declarant's promotion or sale of said Lots to third parties or third parties whom the Declarant may deem to be his agent.

Section 10. Notice to Owners. Whenever notices are required to be given hereunder, the same shall be sent to the Owners by regular mail at the address of the Unit situated upon the Lot, except that any notice of a violation of the terms of this Declaration shall be sent Certified Mail or Certified Mail, Return Receipt Requested. Such notices shall be deemed given when deposited in the United States mails. Any Owner may change his mailing address by written notice to the Declarant at: Orsi Development, Inc./Sunfield Homes, Inc., 3001 Tanglewood Drive, Clearwater, Florida 34621, and to the Association at the same address or to any address subsequently designated by Declarant or Association from time to time.

Section 11. Approval of First Mortgagees. As long as there is any mortgage on a Lot that has been purchased or for which a commitment to purchase has been issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, or a mortgage on a Lot that is insured or guaranteed, or for which a commitment to insure or guarantee has been issued, by the Federal

Housing Administration or the Veteran's Administration, the following action shall require the prior written approval of two-thirds (2/3rds) of the holders of record of all first mortgage liens on Lots within the Property, the alienation or encumbrance of the Common Areas by the Association, other than the granting of easements for utilities, water distribution system, cable television systems or easements for similar or related purposes; the material change in the method used for determining the assessments charged against the Lot Owners; the waiver or abandonment of the regulations or the enforcement thereof pertaining to the architectural control of the residences constructed upon the property; the failure of the Association to maintain fire and extended insurance coverage on the Common Area structures (at 100% of the current replacement cost); and the use of the insurance proceeds paid to the Association as the result of damage to the Common Areas for any purpose other than the repair, replacement or reconstruction of such Common Areas.

Section 12. Right of First Mortgagees. Upon written request of the Association, identifying the name and address of the Holder, Insurer or Guarantor and the Lot or Unit address, any First Mortgagee, Insurer or Guarantor of said first mortgage will be entitled to timely written notice of: (i) any condemnation or casualty loss that affects either a material portion of the Property; (ii) any sixty-day (60) delinquency in the payment of assessments of charges owed by Owner of any Dwelling Unit on which it holds a mortgage; (iii) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association and (iv) any proposed action that requires the consent of a specified percentage of First Mortgagees.

Section 13. Gender. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and the plural shall include the singular.

Section 14. Availability of Information. The Association shall make available to any Owner, First Mortgagee, and to Holders, Insurers or Guarantors of any first mortgage, current copies of this Declaration, the By-Laws of the Association, any and all rules concerning the use and enjoyment of the Common Areas/Community Properties, and the books, records and financial statements of the Association. When used in this Section, the word "available" shall mean available for inspection, upon written request, during normal business hours or under other reasonable circumstances.

IN WITNESS WHEREOF, Orsi Development, Inc., and Sunfield Homes, Inc. has caused these presents to be signed in its name by