Falls of Ocala

55 + Active Adult Community

HOA Summary

This summary is provided for general informational purposes and is not part of the recorded HOA documents nor a full list of restrictions and covenants. Refer to the full HOA governing docs for a complete understanding of the Homeowners' Association covenants, bylaws, and restrictions. **WRITTEN APPROVAL FROM THE ARCHITECTURAL REVIEW BOARD IS REQUIRED PRIOR TO MAKIING ANY EXTERIOR CHANGES TO THE PROPERTY.**

Fences

No fencing on interior lots, exterior lots can connect to existing fencing installed by developers. Must have ARB approval prior to installation.

Landscaping and Yard Use

Trees, plants, and landscaping: Any changes to the yard, landscaping, shrubbery and any flora must be approved prior to changing.

Garden beds: No limitations noted

Sheds: Must have ARB approval prior to installation.

Swimming pools: Must have ARB approval prior to installation.

Parking and Motor Vehicles

Commercial / Work Vehicles: Allowed in garage

Boats, RV's, ATV's, jet skis, etc.: Allowed in garage

Trailers: Allowed in garage

Animals

Number: No more than a total of three (3) commonly accepted household pets (such as dogs and cats) may be kept on a Lot or within a Home contained on a Lot.

Restrictions: Under no circumstances will any dog whose breed is noted for its viciousness or ill-temper, in particular , the "Pit Bull", Presa Canario, or any crossbreeds of such breeds, be permitted on the Property.

Livestock: Not allowed

Rentals

Long term: No less than six (6) months

Short term: Not allowed

See recorded HOA documents in pages that follow

Highland Homes
The value leaders.

Corporate offices • 3020 S. Florida Avenue Suite 101 • Lakeland, FL 33803 • (863) 619-7103
www.HighlandHomes.ORG

Prepared by and Return to:
Luke Markham, Esq.
Johnson Pope Bokor Ruppel & Burns, LLP
401 East Jackson Street, Suite 3100
Tampa, Florida 33602

FIRST AMENDMENT TO THE
AMENDED DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
THE FALLS OF OCALA, UNIT NO.1

THIS FIRST AMENDMENT TO THE AMENDED DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE FALLS OF OCALA, UNIT NO.1 ("Amendment") is made this 10 date of February, 2022, by CLAYTON PROPERTIES GROUP, INC. a Tennessee corporation ("Declarant").

WHEREAS, Declarant is successor in interest to CMH Parks, Inc., a Tennessee corporation ("Original Declarant"), who previously entered into and recorded the Declaration of Covenants and Restrictions for the Falls of Ocala Unit I, as recorded in Official Records Book 1342, Page 617; the Amendments to the Declaration of Covenants and Restrictions for the Falls of Ocala, Unit I, as recorded in Official Records Book 1421, Page 1040, Official Records Book 1448, Page 823, Official Records Book 1816, Page 1254, Official Records Book 1830, Page 1656, and Official Record Book 2079, Page 1514; as amended and restated by the Amended Declaration of Covenants and Restrictions for The Falls of Ocala, Unit No.1, Official Records Book 4076, Pages 0144, as identified in the plat of The Properties known as the Falls of Ocala, Unite No. 1, recorded in Map Book Y, Pages 8 and 9, all of which are contained and set forth in the Public Records of Marion County Florida; and

WHEREAS, Declarant hereby desires to amend the Declaration as provided for herein.

NOW, THEREFORE, the Declaration is hereby amended as follows:

(a) The recitals set forth above are true, accurate and correct and are incorporated herein by reference.

(b) Capitalized terms not defined herein shall have the same meaning as set forth in the Declaration.

(c) The underlining identifies new language and the ~~strike through~~ identifies removed language.

(d) Article I, Definitions, shall hereby be amended to include the following:

GREGORY C HARRELL CLERK & COMPTROLLER MARION CO
CFN# 2022068659 BK 7775 Pgs 1980-2001 05/09/2022 03:43:51 PM
REC FEE 188.50 INDEX

"SWFWMD", "WMD", or "Agency" means the Southwest Florida Water Management District, the governmental entity created to oversee certain water management requirements in connection with the Property, among others.

"Stormwater Management System" means 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 and quality of discharges from the system, as permitted pursuant to Chapter 62-330, F.A.C. ERP permit attached as **EXHIBIT "A"** hereto.

(e) Article IV, shall hereby be amended to include a new Section 8 as follows:

"Section 8. Southwest Florida Water Management District.

(a) No Owner of property within the subdivision may construct or maintain any building, residence, or structure, 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 and recorded plat of the subdivision, unless prior approval is received from SWFWMD.

(b) The Agency shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the stormwater management system.

(c) Any amendment of the Declaration that alters the stormwater management system, beyond maintenance in its original condition, including mitigation or preservation areas and the water management portions of the common areas, must have the prior approval of the Agency.

(d) The Association shall exist in perpetuity. However, if the Association ceases to exist, the system shall be transferred to and maintained by one of the entitles identified in Sections 12.3.1(a) through (f), of the Environmental Resource Permit Applicant's Handbook Volume 1, and such entity shall be responsible for operation and maintenance of the surface water management system facilities in accordance with the requirements of the Environmental Resource Permit.

(e) The Association shall levy and collect adequate assessments against member of the Association for the costs of maintenance and operation of the stormwater management system.

(f) These restrictions shall be in effect for thirty (30) years and shall continually renew for additional periods of twenty-five (25) years, perpetually."

(f) Article IV, shall hereby be amended to include a new Section 9 as follows:
"Section 9. Maintenance. The Association shall be responsible for the maintenance, operation and repair of the stormwater management system. Maintenance of the stormwater management system(s) shall mean the exercise of practices, which allow the systems to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the Agency. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the stormwater management system shall be as permitted, or if modified as approved by the Agency."

(g) Article VI, Section 5, shall hereby be amended as follows:

"Section 5. Temporary Structure. No structure of a temporary character, or trailer, tent, motor homes, or recreational vehicle, shall be permitted on The Properties at any time or used at any time as a residence, either temporarily or permanently, except by the Developer and its affiliates during construction or as provided in Section 2 of this Article. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Unit or on or about any ancillary building. Notwithstanding the foregoing, the prohibition of a gas container or gas cylinder does not prohibit a gas container or gas cylinder of a temporary and portable nature used for grilling. All other temporary structures such as garbage or trash containers, oil tanks, bottle gas tanks, water tanks, water softeners, and other similar items, structures, equipment, apparatus or installations shall be placed under the surface of the ground or within walled or fenced or landscaped areas so as not to be visible from the public streets, street rights of way, or neighboring Lots."

(h) Article VI, Section 6, shall hereby be deleted in its entirety and replaced as follows:

"Section 6. Signs and Flags. No sign, billboard or advertising of any kind shall be displayed to public view on any part of the Property without the prior written approval of the Architectural Control Board. Any such request submitted to the Architectural Control Board shall be made in writing, accompanied by a drawing or plan. One (1) standard real estate sign may be placed in the front yard within three feet of a free-standing mailbox, or if no mailbox exists then between four and ten feet inside the front Lot line and within six feet of the driveway. Such sign shall contain no other wording than "For Sale" or "For Rent", the name, address and telephone number of one (1) registered real estate broker, or a telephone number of a Lot Owner or his agent. In no event shall more than one (1) sign ever be placed on any Lot in any place. Notwithstanding the foregoing provisions, the Declarant specifically reserves the right, for itself and its agents, employees, nominees and assigns the right, privilege and easement to construct, place and maintain upon the Property such signs as it deems appropriate in connection with the development, improvement, construction, marketing and sale of any portion of

the Property. Except as hereinabove provided, no signs or advertising materials displaying the names or otherwise advertising the identity of contractors, subcontractors, real estate brokers or the like employed in connection with the construction, installation, alteration or other improvement upon or the sale or leasing of the Property shall be permitted.

(a) Any Lot Owner may display a sign of reasonable size provided by a contractor for security services within ten (10) feet of any entrance to the Home. The Association may promulgate rules and regulations in furtherance of this Section; provided, however, that no such rules or regulations will inhibit the rights of a Member pursuant to Section 720.304(6) of the Act.

(b) Any Lot Owner may display one portable, removable United States flag or official flag of the State of Florida in a respectful manner, and on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day may display in a respectful manner portable, removable official flags, not larger than 4-1/2 feet by 6 feet, which represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard.

(c) Declarant and Builder are specifically exempt from the provisions of this Section and as such shall be entitled to erect such signs as deemed necessary or desirable in Declarant and Builder's sole discretion from time to time. No amendment or modification to this Section pertaining to signs shall be effective without the prior written consent of Declarant for so long as Declarant owns any portion of the Property."

(i) Article VI, Section 8, shall hereby be amended as follows:

"Section 8. Pets, Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except as provided for in Schedule A attached hereto and by reference incorporated herein., ~~except no more than one (1) household pet may be kept, provided it is not kept, bred or maintained for any commercial purpose, does not weight greater than 20 pounds at maturity, and provided that it does not become a nuisance or annoyance to any neighbor.~~ No dogs or other pets shall be permitted to have excretions on any Common Areas, except areas designated by the Association, and Owners shall be responsible to clean-up any such improper excretions. For purposes hereof, "household pets" shall mean dogs, cats and domestic birds and fish. Pets shall also be subject to applicable rules and regulations. ~~Those pets owned in 1994 by the owners of lot numbers 12 and 13, Block A and Lot 3, Block C are excepted from the weight limitation, but in no event are new pets permitted on those lots unless they meet the criteria stated in this section. All pets must be registered with the Association as to the breed, size and description, as well as provide a copy of current license and vaccinations to management.~~ Pet owners shall be responsible for any damage

caused by his or her pet to the properties, as defined in Article I, Section (i), or the property of any other Owner."

(j) Schedule A, Paragraph 13, shall hereby be amended as follows:

"13. Pets and other animals shall neither be kept nor maintained in or about the Properties except in accordance with the Declaration and with the following:

(a) ~~Under no circumstances shall more than one (1) household pet be permitted for each Lot.~~ No pet shall be permitted outside of its Owner's Unit unless attended ~~by an adult and on a leash of reasonable length~~ or controlled in accordance with state, local, or municipal leash laws. Said pets shall only be walked or taken upon those portions of the Common Areas designated by the Association from time to time for such purposes. ~~In no event shall said pets ever be allowed to be walked or taken on or about the recreational facilities (if any) contained within the Common Areas.~~ ·

(b) Any pet deemed to be objectionable by the Board of Directors for any reason shall be removed promptly by the Owner on fifteen (15) days' notice. When notice of removal of any pet is given by the Board, the pet shall be removed within forty-eight (48) hours of the giving of the notice. A determination by the Board that an animal or pet kept or harbored in a Home on a Lot is a nuisance shall be conclusive and binding on all parties.

(c) No more than a total of three (3) commonly accepted household pets (such as dogs and cats) may be kept on a Lot or within a Home contained on a Lot. However, under no circumstances will any dog whose breed is noted for its viciousness or ill-temper, in particular, the "Pit Bull" (as hereinafter defined), Presa Canario, or any crossbreeds of such breeds, be permitted on any portion of the Property. A "Pit Bull" is defined as any dog that is an American Pit Bull Terrier, American Staffordshire Terrier, Staffordshire Bull Terrier, or any dog displaying a majority of the physical traits of any one (1) or more of the above breeds, or any dog exhibiting those distinguishing characteristics which substantially confirm to the standards established by the American Kennel Club or United Kennel Club for any of the above breeds.

(d) Swine, goats, horses, pigs, cattle, sheep, chickens, and the like, are hereby specifically prohibited from being kept in the Community. Animals, fowl, birds and reptiles which are deemed by the Board to be obnoxious are prohibited. The determination of what is or what may be obnoxious shall be determined by the Association in its sole discretion. No animal breeding or sales as a business shall be permitted in the Community.

(e) Each Lot Owner, by virtue of taking title to a Lot, and each resident shall indemnify the Association, Declarant, and Builder and hold them harmless from and against any loss or liability of any kind or character whatsoever arising from such Lot Owner or Resident having any pet upon a Lot or any other portion of any property subject to this Declaration. The Association shall have the power and right to promulgate rules and regulations in furtherance of the provisions of this Section, including, but not limited to, weight limitations, the number of pets and breeds of pets.

(f) Notwithstanding any provision herein to the contrary, either the Declarant or the Builder in their sole discretion and as each may deem necessary and appropriate, shall be entitled to grant a waiver to the three (3) pet limit. However, no waiver to the three (3) pet requirement shall exceed five (5) pets. In the event such a waiver is granted (which shall be in writing and shall specifically reference this subsection and shall be delivered to the Association for inclusion in its official records), the Lot Owner shall be permitted to maintain any such pet(s) which exceed the three (3) pet limit for the remainder of such pet(s) life, but shall not be entitled to replace any pet that dies for so long as the three (3) pet limit is exceeded. By way of example, if a waiver is granted to permit four (4) pets, when one pet dies, it cannot be replaced, but upon the death of two pets, the owner shall then be permitted to replace one of the pets so as to be in compliance with the three (3) pet limit. Any waiver is not transferable to subsequent lot owners.

[Remainder of Page Left Intentionally Blank; Signatures to Follow]

IN WITNESS WHEREOF, the Owners have caused this instrument to be signed by its duly authorized officers on this 16 day of February 2022.

DECLARANT:

CLAYTON PROPERTIES GROUP, INC.
a Tennessee corporation.

By: _____
Print: D Joel Adams
Its: Vice President

_____
Witness #1
Addison Arbogast
Printed Name of Witness #1

_____
Witness #2
Matt Arnold
Printed Name of Witness #2

STATE OF FLORIDA)
COUNTY OF Polk)

The foregoing instrument was acknowledged before me by means of [✓] physical presence or [__] online notarization this 16 day of February 2022 by D. Joel Adams, as Vice President of Clayton Properties Group, Inc., a Tennessee corporation. He [✓] is personally known to me or [__] has produced _____ as identification.

CHEVON CROTTY
Notary Public, State of Florida
Commission No. HH 113710
My Comm. Expires 04/05/2025

_____
Print Name: Chevon Crotty
NOTARY PUBLIC, State of Florida
Commission No.: HH 113710
Commission Expires: 04/05/2025

EXHIBIT "A"

(ERP)

Southwest Florida Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
On the Internet at: WaterMatters.org

An Equal Opportunity Employer

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)

Sarasota Service Office
78 Sarasota Center Boulevard
Sarasota, Florida 34240-9770
(941) 377-3722 or
1-800-320-3503 (FL only)

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)

May 03, 2022

Clayton Properties Group, Inc. d/b/a Highland Homes
Attn: D. Joel Adams
3020 South Florida Ave, Suite 101
Lakeland, FL 33803

Subject: **Notice of Intended Agency Action - Approval**
ERP Individual Construction

Project Name:	Falls of Ocala Unit 2
App ID/Permit No:	837381 / 43000565.002
County:	Marion
Sec/Twp/Rge:	S18/T15S/R21E

Dear Permittee(s):

The Southwest Florida Water Management District (District) has completed its review of the application for Environmental Resource Permit. Based upon a review of the information you have submitted, the District hereby gives notice of its intended approval of the application.

The File of Record associated with this application can be viewed at http://www18.swfwmd.state.fl.us/erp/erp/search/ERPSearch.aspx and is also available for inspection Monday through Friday, except for District holidays, from 8:00 a.m. through 5:00 p.m. at the District's Tampa Service Office, 7601 U.S. Highway 301 North, Tampa, Florida 33637.

If you have any questions or concerns regarding the application or any other information, please contact the Environmental Resource Permit Bureau in the Tampa Service Office.

Sincerely,

David Kramer, P.E.
Bureau Chief
Environmental Resource Permit Bureau
Regulation Division

cc: Brett Tobias, P.E., Halff Associates Inc.

Southwest Florida
Water Management District

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Sarasota, Florida 34240-9770
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1-800-320-3503 (FL only)

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)

May 03, 2022

Clayton Properties Group, Inc. d/b/a Highland Homes
Attn: D. Joel Adams
3020 South Florida Ave, Suite 101
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County:	Marion
Sec/Twp/Rge:	S18/T15S/R21E

Dear Permittee(s):

The Southwest Florida Water Management District (District) is in receipt of your application for the Environmental Resource Permit. Based upon a review of the information you submitted, the application is approved.

Please refer to the attached Notice of Rights to determine any legal rights you may have concerning the District's agency action on the permit application described in this letter.

If approved construction plans are part of the permit, construction must be in accordance with these plans. These drawings are available for viewing or downloading through the District's Application and Permit Search Tools located at www.WaterMatters.org/permits.

The District's action in this matter only becomes closed to future legal challenges from members of the public if such persons have been properly notified of the District's action and no person objects to the District's action within the prescribed period of time following the notification. The District does not publish notices of agency action. If you wish to limit the time within which a person who does not receive actual written notice from the District may request an administrative hearing regarding this action, you are strongly encouraged to publish, at your own expense, a notice of agency action in the legal advertisement section of a newspaper of general circulation in the county or counties where the activity will occur. Publishing notice of agency action will close the window for filing a petition for hearing. Legal requirements and instructions for publishing notices of agency action, as well as a noticing form that can be used, are available from the District's website at www.WaterMatters.org/permits/noticing. If you publish notice of agency action, a copy of the affidavit of publication provided by the newspaper should be sent to the District's Tampa Service Office for retention in this permit's File of Record.

If you have any questions or concerns regarding your permit or any other information, please contact the Environmental Resource Permit Bureau in the Tampa Service Office.

Sincerely,

David Kramer, P.E.
Bureau Chief
Environmental Resource Permit Bureau
Regulation Division

Enclosures: Approved Permit w/Conditions Attached
As-Built Certification and Request for Conversion to Operation Phase
Notice of Authorization to Commence Construction
Notice of Rights

cc: Brett Tobias, P.E., Halff Associates Inc.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
ENVIRONMENTAL RESOURCE
INDIVIDUAL CONSTRUCTION
PERMIT NO. 43000565.002

EXPIRATION DATE: May 03, 2027 **PERMIT ISSUE DATE:** May 03, 2022

This permit is issued under the provisions of Chapter 373, Florida Statutes, (F.S.), and the Rules contained in Chapter 62-330, Florida Administrative Code, (F.A.C.). The permit authorizes the Permittee to proceed with the construction of a surface water management system in accordance with the information outlined herein and shown by the application, approved drawings, plans, specifications, and other documents, attached hereto and kept on file at the Southwest Florida Water Management District (District). Unless otherwise stated by permit specific condition, permit issuance constitutes certification of compliance with state water quality standards under Section 401 of the Clean Water Act, 33 U.S.C. 1341. All construction, operation and maintenance of the surface water management system authorized by this permit shall occur in compliance with Florida Statutes and Administrative Code and the conditions of this permit.

PROJECT NAME:	Falls of Ocala Unit 2
GRANTED TO:	Clayton Properties Group, Inc. d/b/a Highland Homes Attn: D. Joel Adams 3020 South Florida Ave, Suite 101 Lakeland, FL 33803
OTHER PERMITTEES:	N/A

ABSTRACT: This permit authorization is for the construction of a stormwater management system serving a 24.95-acre residential project. The proposed activities include the construction of a residential subdivision with associated roads and infrastructure. Four new online retention ponds will provide treatment and attenuation for runoff from the site. The project is located in a closed basin on the north side of SW 8th Street, east of SW 77th Court, in Marion County.

OP. & MAIN. ENTITY:	The Falls of Ocala Homeowners Association, Inc.
OTHER OP. & MAIN. ENTITY:	N/A
COUNTY:	Marion
SEC/TWP/RGE:	S18/T15S/R21E
TOTAL ACRES OWNED OR UNDER CONTROL:	27.89
PROJECT SIZE:	24.95 Acres
LAND USE:	Residential
DATE APPLICATION FILED:	November 23, 2021
AMENDED DATE:	N/A

I. Water Quantity/Quality

POND No.	Area Acres @ Top of Bank	Treatment Type
Pond 1	0.49	ON-LINE RETENTION
Pond 2	0.62	ON-LINE RETENTION
Pond 3	0.74	ON-LINE RETENTION
Pond 4	0.69	ON-LINE RETENTION
	Total: **2.54**	

Water Quantity/Quality Comment:

The proposed ponds provide treatment for runoff from the site via online retention. The system provides attenuation of the post-development 25-year, 24-hour peak discharge rate to the pre-development 25-year, 24-hour peak discharge rate. In order to meet closed basin criteria, the stormwater system will also retain the volumetric difference generated in the post-development condition versus the pre-development condition for the 100-year, 24-hour storm event. The plans and calculations reflect the North American Vertical Datum of 1988 (NAVD 88).
A mixing zone is not required.
A variance is not required.

II. 100-Year Floodplain

Encroachment (Acre-Feet of fill)	Compensation (Acre-Feet of excavation)	Compensation Type	Encroachment Result* (feet)
0.00	0.00	No Encroachment	N/A

Floodplain Comment:

The project proposes no fill placement within a known 100-year riverine floodplain or depression storage areas associated with 100-year riverine floodplain.

*Depth of change in flood stage (level) over existing receiving water stage resulting from floodplain encroachment caused by a project that claims Minimal Impact type of compensation.

III. Environmental Considerations

No wetlands or other surface waters exist within the project area.

Specific Conditions

1. If the ownership of the project area covered by the subject permit is divided, with someone other than the Permittee becoming the owner of part of the project area, this permit may be terminated, unless the terms of the permit are modified by the District or the permit is transferred pursuant to Rule 40D-1.6105, F.A.C. In such situations, each land owner shall obtain a permit (which may be a modification of this permit) for the land owned by that person. This condition shall not apply to the division and sale of lots or units in residential subdivisions or condominiums.

2. The Permittee shall retain the design professional registered or licensed in Florida, to conduct on-site observations of construction and assist with the as-built certification requirements of this project. The Permittee shall inform the District in writing of the name, address and phone number of the design professional so employed. This information shall be submitted prior to construction.

3. Rights-of-way and easement locations necessary to construct, operate and maintain all facilities, which constitute the permitted stormwater management system, and the locations and limits of all wetlands, wetland buffers, upland buffers for water quality treatment, 100-year floodplain areas and floodplain compensation areas, shall be shown on the final plat recorded in the County Public Records. Documentation of this plat recording shall be submitted to the District with the As-Built Certification and Request for Conversion to Operational Phase Form, and prior to beneficial occupancy or use of the site.

4. Copies of the following documents in final form, as appropriate for the project, shall be submitted to the Regulation Division:
   a. homeowners, property owners, master association or condominium association articles of incorporation, and
   b. declaration of protective covenants, deed restrictions or declaration of condominium
   The Permittee shall submit these documents with the submittal of the Request for Transfer of Environmental Resource Permit to the Perpetual Operation Entity form.

5. The following language shall be included as part of the deed restrictions for each lot:

   "Each property owner within the subdivision at the time of construction of a building, residence, or structure shall comply with the construction plans for the stormwater management system approved and on file with the Southwest Florida Water Management District."

6. For dry bottom retention systems, the retention area(s) shall become dry within 72 hours after a rainfall event. If a retention area is regularly wet, this situation shall be deemed to be a violation of this permit.

7. If limestone bedrock is encountered during construction of the stormwater management system, the District must be notified and construction in the affected area shall cease.

8. The Permittee shall notify the District of any sinkhole development in the stormwater management system within 48 hours of discovery and must submit a detailed sinkhole evaluation and repair plan for approval by the District within 30 days of discovery.

9. The Permitted Plan Set for this project includes the set received by the District on February 18, 2022.

10. The operation and maintenance entity shall provide for the inspection of the permitted project after conversion of the permit to the operation and maintenance phase. For systems utilizing retention, the inspections shall be performed five (5) years after operation is authorized and every five (5) years thereafter.

    The operation and maintenance entity must maintain a record of each inspection, including the date of inspection, the name and contact information of the inspector, whether the system was functioning as designed and permitted, and make such record available upon request of the District.

    Within 30 days of any failure of a stormwater management system or deviation from the permit, an inspection report shall be submitted using Form 62-330.311(1), “Operation and Maintenance Inspection Certification” describing the remedial actions taken to resolve the failure or deviation.

11. District staff must be notified in advance of any proposed construction dewatering. If the dewatering activity is likely to result in offsite discharge or sediment transport into wetlands or surface waters, a written dewatering plan must either have been submitted and approved with the permit application or submitted to the District as a permit prior to the dewatering event as a permit modification. A water use permit may be required prior to any use exceeding the thresholds in Chapter 40D-2, F.A.C.

12. Off-site discharges during construction and development shall be made only through the facilities authorized by this permit. Water discharged from the project shall be through structures having a mechanism suitable for regulating upstream stages. Stages may be subject to operating schedules satisfactory to the District.

13. The permittee shall complete construction of all aspects of the stormwater management system, including wetland compensation (grading, mulching, planting), water quality treatment features, and discharge control facilities prior to beneficial occupancy or use of the development being served by this system.

14. The following shall be properly abandoned and/or removed in accordance with the applicable regulations:

    a. Any existing wells in the path of construction shall be properly plugged and abandoned by a licensed well contractor.

    b. Any existing septic tanks on site shall be abandoned at the beginning of construction.

    c. Any existing fuel storage tanks and fuel pumps shall be removed at the beginning of construction.

15. All stormwater management systems shall be operated to conserve water in order to maintain environmental quality and resource protection; to increase the efficiency of transport, application and use; to decrease waste; to minimize unnatural runoff from the property and to minimize dewatering of offsite property.

16. Each phase or independent portion of the permitted system must be completed in accordance with the permitted plans and permit conditions prior to the occupation of the site or operation of site infrastructure located within the area served by that portion or phase of the system. Each phase or independent portion of the system must be completed in accordance with the permitted plans and permit conditions prior to transfer of responsibility for operation and maintenance of that phase or portion of the system to a local government or other responsible entity.

17. This permit is valid only for the specific processes, operations and designs indicated on the approved drawings or exhibits submitted in support of the permit application. Any substantial deviation from the approved drawings, exhibits, specifications or permit conditions, including construction within the total land area but outside the approved project area(s), may constitute grounds for revocation or enforcement action by the District, unless a modification has been applied for and approved. Examples of substantial deviations include excavation of ponds, ditches or sump areas deeper than shown on the approved plans.

18. This permit does not authorize the Permittee to cause any adverse impact to or "take" of state listed species and other regulated species of fish and wildlife. Compliance with state laws regulating the take of fish and wildlife is the responsibility of the owner or applicant associated with this project. Please refer to Chapter 68A-27 of the Florida Administrative Code for definitions of "take" and a list of fish and wildlife species. If listed species are observed onsite, FWC staff are available to provide decision support information or assist in obtaining the appropriate FWC permits. Most marine endangered and threatened species are statutorily protected and a "take" permit cannot be issued. Requests for further information or review can be sent to FWCConservationPlanningServices@MyFWC.com.

19. A “Recorded notice of Environmental Resource Permit,” Form No. 62-330.090(1), shall be recorded in the public records of the County(s) where the project is located.

20. If the Permit will be transferred to a non-profit corporation for perpetual operation and maintenance, including a homeowner, property owner, condominium owner, or master association, then in addition to the Request for Transfer, the Permittee shall submit the Association Affidavit form published in the References and Design Aids for the ERP Applicant’s Handbook Volume I, (DA 7-8 to DA 7-10), https://www.swfwmd.state.fl.us/sites/default/files/medias/documents/DesignAidsAH-I.pd_.pdf) in conjunction with the documents identified in section 12.3.4 of the Applicant’s Handbook Volume I, to demonstrate the entity has the financial, legal, and administrative capability to provide for the long term operation and maintenance of the project.

GENERAL CONDITIONS

1. The general conditions attached hereto as Exhibit "A" are hereby incorporated into this permit by reference and the Permittee shall comply with them.

David Kramer, P.E.

Authorized Signature

EXHIBIT A

GENERAL CONDITIONS:

1 The following general conditions are binding on all individual permits issued under this chapter, except where the conditions are not applicable to the authorized activity, or where the conditions must be modified to accommodate, project-specific conditions.

a. All activities shall be implemented following the plans, specifications and performance criteria approved by this permit. Any deviations must be authorized in a permit modification in accordance with Rule 62-330.315, F.A.C., or the permit may be revoked and the permittee may be subject to enforcement action.

b. A complete copy of this permit shall be kept at the work site of the permitted activity during the construction phase, and shall be available for review at the work site upon request by the Agency staff. The permittee shall require the contractor to review the complete permit prior to beginning construction.

c. Activities shall be conducted in a manner that does not cause or contribute to violations of state water quality standards. Performance-based erosion and sediment control best management practices shall be installed immediately prior to, and be maintained during and after construction as needed, to prevent adverse impacts to the water resources and adjacent lands. Such practices shall be in accordance with the *State of Florida Erosion and Sediment Control Designer and Reviewer Manual (Florida Department of Environmental Protection and Florida Department of Transportation June 2007)*, and the *Florida Stormwater Erosion and Sedimentation Control Inspector's Manual (Florida Department of Environmental Protection, Nonpoint Source Management Section, Tallahassee, Florida, July 2008)*, which are both incorporated by reference in subparagraph 62-330.050(8)(b)5, F.A.C., unless a project-specific erosion and sediment control plan is approved or other water quality control measures are required as part of the permit.

d. At least 48 hours prior to beginning the authorized activities, the permittee shall submit to the Agency a fully executed Form 62-330.350(1), "Construction Commencement Notice,"[effective date], incorporated by reference herein (<http://www.flrules.org/Gateway/reference.asp?No=Ref-02505>), indicating the expected start and completion dates. A copy of this form may be obtained from the Agency, as described in subsection 62-330.010(5),F.A.C. However, for activities involving more than one acre of construction that also require a NPDES stormwater construction general permit, submittal of the Notice of Intent to Use Generic Permit for Stormwater Discharge from Large and Small Construction Activities, DEP Form 62-621.300(4)(b), shall also serve as notice of commencement of construction under this chapter and, in such a case, submittal of Form 62-330.350(1) is not required.

e. Unless the permit is transferred under Rule 62-330.340, F.A.C., or transferred to an operating entity under Rule 62-330.310, F.A.C., the permittee is liable to comply with the plans, terms and conditions of the permit for the life of the project or activity.

f. Within 30 days after completing construction of the entire project, or any independent portion of the project, the permittee shall provide the following to the Agency, as applicable:

1. For an individual, private single-family residential dwelling unit, duplex, triplex, or quadruplex - "Construction Completion and Inspection Certification for Activities Associated with a Private Single-Family Dwelling Unit" [Form 62-330.310(3)]; or

2. For all other activities - "As-Built Certification and Request for Conversion to Operation Phase" [Form 62-330.310(1)].

3. If available, an Agency website that fulfills this certification requirement may be used in lieu of the form.

g. If the final operation and maintenance entity is a third party:

1. Prior to sales of any lot or unit served by the activity and within one year of permit issuance, or within 30 days of as- built certification, whichever comes first, the permittee shall submit, as applicable, a copy of the operation and maintenance documents (see sections 12.3 thru 12.3.4 of Volume I) as filed with the Department of State, Division of Corporations and a copy of any easement, plat, or deed restriction needed to operate or maintain the project, as recorded with the Clerk of the Court in the County in which the activity is located.

2. Within 30 days of submittal of the as- built certification, the permittee shall submit "Request for Transfer of Environmental Resource Permit to the Perpetual Operation and Maintenance Entity" [Form 62-330.310 (2)] to transfer the permit to the operation and maintenance entity, along with the documentation requested in the form. If available, an Agency website that fulfills this transfer requirement may be used in lieu of the form.

h. The permittee shall notify the Agency in writing of changes required by any other regulatory agency that require changes to the permitted activity, and any required modification of this permit must be obtained prior to implementing the changes.

i. This permit does not:

1. Convey to the permittee any property rights or privileges, or any other rights or privileges other than those specified herein or in Chapter 62-330, F.A.C.;

2. Convey to the permittee or create in the permittee any interest in real property;

3. Relieve the permittee from the need to obtain and comply with any other required federal, state, and local authorization, law, rule, or ordinance; or

4. Authorize any entrance upon or work on property that is not owned, held in easement, or controlled by the permittee.

j. Prior to conducting any activities on state-owned submerged lands or other lands of the state, title to which is vested in the Board of Trustees of the Internal Improvement Trust Fund, the permittee must receive all necessary approvals and authorizations under Chapters 253 and 258, F.S. Written authorization that requires formal execution by the Board of Trustees of the Internal Improvement Trust Fund shall not be considered received until it has been fully executed.

k. The permittee shall hold and save the Agency harmless from any and all damages, claims, or liabilities that may arise by reason of the construction, alteration, operation, maintenance, removal, abandonment or use of any project authorized by the permit.

l. The permittee shall notify the Agency in writing:

1. Immediately if any previously submitted information is discovered to be inaccurate; and

2. Within 30 days of any conveyance or division of ownership or control of the property or the system, other than conveyance via a long-term lease, and the new owner shall request transfer of the permit in accordance with Rule 62-330.340, F.A.C. This does not apply to the sale of lots or units in residential or commercial subdivisions or condominiums where the stormwater management system has been completed and converted to the operation phase.

m. Upon reasonable notice to the permittee, Agency staff with proper identification shall have permission to enter, inspect, sample and test the project or activities to ensure conformity with the plans and specifications authorized in the permit.

n. If any prehistoric or historic artifacts, such as pottery or ceramics, stone tools or metal implements, dugout canoes, or any other physical remains that could be associated with Native American cultures, or early colonial or American settlement are encountered at any time within the project site area, work involving

subsurface disturbance in the immediate vicinity of such discoveries shall cease. The permittee or other designee shall contact the Florida Department of State, Division of Historical Resources, Compliance and Review Section, at (850) 245-6333 or (800) 847-7278, as well as the appropriate permitting agency office. Such subsurface work shall not resume without verbal or written authorization from the Division of Historical Resources. If unmarked human remains are encountered, all work shall stop immediately and notification shall be provided in accordance with Section 872.05, F.S. (2012).

o. Any delineation of the extent of a wetland or other surface water submitted as part of the permit application, including plans or other supporting documentation, shall not be considered binding unless a specific condition of this permit or a formal determination under Rule 62-330.201, F.A.C., provides otherwise.

p. The permittee shall provide routine maintenance of all components of the stormwater management system to remove trapped sediments and debris. Removed materials shall be disposed of in a landfill or other uplands in a manner that does not require a permit under Chapter 62-330, F.A.C., or cause violations of state water quality standards.

q. This permit is issued based on the applicant's submitted information that reasonably demonstrates that adverse water resource-related impacts will not be caused by the completed permit activity. If any adverse impacts result, the Agency will require the permittee to eliminate the cause, obtain any necessary permit modification, and take any necessary corrective actions to resolve the adverse impacts.

r. A Recorded Notice of Environmental Resource Permit may be recorded in the county public records in accordance with Rule 62-330.090(7), F.A.C. Such notice is not an encumbrance upon the property.

2. In addition to those general conditions in subsection (1) above, the Agency shall impose any additional project-specific special conditions necessary to assure the permitted activities will not be harmful to the water resources, as set forth in Rules 62-330.301 and 62-330.302, F.A.C., Volumes I and II, as applicable, and the rules incorporated by reference in this chapter.

SOUTHWEST FLORIDA
WATER MANAGEMENT DISTRICT

NOTICE OF
AUTHORIZATION
TO COMMENCE CONSTRUCTION

Falls of Ocala Unit 2
PROJECT NAME

Residential
PROJECT TYPE

Marion
COUNTY

S18/T15S/R21E
SEC(S)/TWP(S)/RGE(S)

Clayton Properties Group, Inc. d/b/a Highland Homes
PERMITTEE See permit for additional permittees

APPLICATION ID/PERMIT NO: 837381 / 43000565.002
DATE ISSUED: May 03, 2022

David Kramer, P.E.
Issuing Authority

THIS NOTICE SHOULD BE CONSPICUOUSLY DISPLAYED AT THE SITE OF THE WORK

Notice of Rights

ADMINISTRATIVE HEARING

1. You or any person whose substantial interests are or may be affected by the District's intended or proposed action may request an administrative hearing on that action by filing a written petition in accordance with Sections 120.569 and 120.57, Florida Statutes (F.S.), Uniform Rules of Procedure Chapter 28-106, Florida Administrative Code (F.A.C.) and District Rule 40D-1.1010, F.A.C. Unless otherwise provided by law, a petition for administrative hearing must be filed with (received by) the District within 21 days of receipt of written notice of agency action. "Written notice" means either actual written notice, or newspaper publication of notice, that the District has taken or intends to take agency action. "Receipt of written notice" is deemed to be the fifth day after the date on which actual notice is deposited in the United States mail, if notice is mailed to you, or the date that actual notice is issued, if sent to you by electronic mail or delivered to you, or the date that notice is published in a newspaper, for those persons to whom the District does not provide actual notice.

2. Pursuant to Subsection 373.427(2)(c), F.S., for notices of intended or proposed agency action on a consolidated application for an environmental resource permit and use of state-owned submerged lands concurrently reviewed by the District, a petition for administrative hearing must be filed with (received by) the District within 14 days of receipt of written notice.

3. Pursuant to Rule 62-532.430, F.A.C., for notices of intent to deny a well construction permit, a petition for administrative hearing must be filed with (received by) the District within 30 days of receipt of written notice of intent to deny.

4. Any person who receives written notice of an agency decision and who fails to file a written request for a hearing within 21 days of receipt or other period as required by law waives the right to request a hearing on such matters.

5. Mediation pursuant to Section 120.573, F.S., to settle an administrative dispute regarding District intended or proposed action is not available prior to the filing of a petition for hearing.

6. A request or petition for administrative hearing must comply with the requirements set forth in Chapter 28-106, F.A.C. A request or petition for a hearing must: (1) explain how the substantial interests of each person requesting the hearing will be affected by the District's intended action or proposed action, (2) state all material facts disputed by the person requesting the hearing or state that there are no material facts in dispute, and (3) otherwise comply with Rules 28-106.201 and 28-106.301, F.A.C. Chapter 28-106, F.A.C. can be viewed at www.flrules.org or at the District's website at www.WaterMatters.org/permits/rules.

7. A petition for administrative hearing is deemed filed upon receipt of the complete petition by the District Agency Clerk at the District's Tampa Service Office during normal business hours, which are 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding District holidays. Filings with the District Agency Clerk may be made by mail, hand-delivery or facsimile transfer (fax). The District does not accept petitions for administrative hearing by electronic mail. Mailed filings must be addressed to, and hand-delivered filings must be delivered to, the Agency Clerk, Southwest Florida Water Management District, 7601 Highway 301 North,Tampa,FL 33637-6759. Faxed filings must be transmitted to the District Agency Clerk at (813) 367-9776. Any petition not received during normal business hours shall be filed as of 8:00 a.m. on the next business day. The District's acceptance of faxed petitions for filing is subject to certain conditions set forth in the District's Statement of Agency Organization and Operation, available for viewing at www.WaterMatters.org/about.

JUDICIAL REVIEW

1. Pursuant to Sections 120.60(3) and 120.68, F.S., a party who is adversely affected by District action may seek judicial review of the District's action. Judicial review shall be sought in the Fifth District Court of Appeal or in the appellate district where a party resides or as otherwise provided by law.

2. All proceedings shall be instituted by filing an original notice of appeal with the District Agency Clerk within 30 days after the rendition of the order being appealed, and a copy of the notice of appeal, accompanied by any filing fees prescribed by law, with the clerk of the court, in accordance with Rules 9.110 and 9.190 of the Florida Rules of Appellate Procedure (Fla. R. App. P.). Pursuant to Fla. R. App. P. 9.020(h), an order is rendered when a signed written order is filed with the clerk of the lower tribunal.

THE FALLS OF OCALA HOMEOWNERS
551 SW 79TH TERRACE
OCALA, FL 34474

DAVID R. ELLSPERMANN, CLERK OF COURT MARION COUNTY
DATE: 06/20/2005 02:21:37 PM
FILE #: 2005106433 OR BK 04076 PGS 0144-0168
RECORDING FEES 214.00

AMENDED

DECLARATION OF COVENANTS AND RESRICTIONS

FOR

THE FALLS OF OCALA, UNIT NO.1

THIS AMENDED DECLARATION OF COVENANTS AND RESTRICTIONS is made this 20th day of June, 2005, by CMH Parks, Inc., a Tennessee Corporation, which declares hereby that "The Properties" described in Article II of this Declaration are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth. This AMENDED DECLARATION OF COVENANTS AND RESTRICTIONS amends and supersedes the following: Declaration of Covenants and Restrictions for the Falls of Ocala, Unit I, as recorded in Official Records Book 1342, Page 617; the Amendments to the Declaration of Covenants and Restrictions for the Falls of Ocala, Unit I, as recorded in Official Records Book 1421, Page 1040, Official Records Book 1448, Page 823, Official Records Book 1816, Page 1254, Official Records Book 1830, Page 1656, and Official Record Book 2079, Page 1514; and as identified in the plat of The Properties known as the Falls of Ocala, Unit No. 1, recorded in Map Book Y, Pages 8 and 9, all of which are contained and set forth in the Public Records of Marion County, Florida.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to THE FALLS OF OCALA HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit.

(b) "Common Areas" shall mean and refer to the property denoted as Common Areas in that plat of the Properties known as The Falls of Ocala, Unit No.1, recorded in Map Book Y, Pages 8&9, in the Public Records of Marion County, Florida, plus all property designated as Common Areas in any future recorded supplemental declaration or future plats of portions of The Properties; together with the landscaping and any improvement thereon, including, without limitation, all structures, recreational facilities, open space, walkways, sprinkler systems, roads and street lights, if any, and including the water and sewer facilities serving the Development, including any pumps, piping and treatment structures or components, but excluding other public or private utility installations thereon which are separately owned and/or operated by a utility company, governmental entity, private corporation or the Developer.

(c) "Developer" shall mean and refer to CMH Parks, Inc., and their affiliates, successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign all or only a portion of his rights hereunder, or all or a portion of such rights in connection with appropriate portions of The Properties. In the event of a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

(d) "Development" shall mean and refer to all the real property more particularly described in Article II which is intended, for the most part, to be made a part or a common scheme of development, and any property subject to a supplemental declaration pursuant to Article II, Section 2.

(e) "Institutional lender", for purposes of Article V, Section 9 hereof, means a bank, savings and loan association, insurance company, pension fund, agency of the United States Government, mortgage banker or company, Federal National Mortgage Association, the Developer or any affiliate of the Developer or other lender generally recognized as an institutional-type lender, which holds a mortgage on one or more Lots, and or Units.

(f) "Lot" shall mean und refer to any Lot on the various plats of portions of The Properties, which plat is designated by Developer hereby or by any other recorded instrument to be subject to these Amended Declaration of Covenants and Restrictions (and to the extent the Developer is not the Owner thereof, then designated by the Developer joined by the Owner thereof, any Lot shown upon any resubdivision of any such plat, and any other property hereafter declared as a Lot by the Developer and thereby made subject to this Declaration. To the extent the Developer is not the Owner thereof, then such declaration shall be made by the Developer joined by the Owner thereof.

(g) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article III hereof.

(h) "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 upon The Properties.

(i) "The Properties" shall mean and refer to all such existing properties, and additions thereto, as are now or hereafter made subject to this Declaration, except such as are withdrawn from the provisions hereof in accordance with the procedures hereinafter set forth.

(j) "Unit" shall mean and refer to any manufactured home or conventional site built home. For purposes of this definition the term "manufactured home" shall mean a residential structure, transportable in one or more sections, which is designed to be used as a dwelling when connected to the required utilities, and which is not originally sold as a recreational vehicles. "Manufactured home" shall specifically include structures which are commonly referred to as "mobile homes".

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION ADDITIONS THERETO

Section 1. Legal Description. The real property which, initially, is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Marion County, Florida, and is more particularly described as follows:

Commencing at the Southwest corner of Section 18, Township 15 South, Range 21 East, Marion County, Florida; thence S.88°57'53"E. along the South boundary of said Section 18, 30.00 feet to the Easterly right-of-way of S.W. 80th Avenue for the Point

of Beginning; thence departing said South boundary N. 01°25'25"E. along said Easterly right-of-way of S.W. 80th Avenue, 994.06 feet; thence departing said Easterly right-of-way S.88°57'53"E. 1,305.00 feet; thence S.01°02'07"W., 200.00 feet; thence S.88°57'53"E., 40.00 feet; thence S.01°02'07"W., 445.01 feet to a point on a curve, said curve being concave Northerly and having a radius of 480.00 feet, a central angle of 07°33'00" and chord bearing N.87°41'52"E., 63.21 feet; thence Northeasterly along said curve an arc length of 63.25 feet; thence departing said curve S.25°19'54"E., 109.62 feet, thence S.01°02'07"W., 254.50 feet to the aforesaid South boundary line of said Section 18; thence N.88°57'53"W. along said South boundary line of Section 18, 1,463.52 feet to the Point of Beginning and containing 31.43 acres more or less.

all of which real property, and all additions thereto, is herein referred collectively as "The Properties".

Section 2. Supplements. Developer may from time to time bring other land under the provisions hereof by recorded supplemental declarations or future plats of portions of The Properties specifically incorporating the provisions hereof, (which shall not require the consent of then existing Owners or the Association, or any mortgagee, except in the case of property to be so added which is not then owned by the Developer, in which case the Owner thereof shall join in the applicable supplemental declaration) and thereby add to The Properties, provided that any such real property so added shall be part of the Development. To the extent that additional real property shall be made a part of The Properties as a common scheme, reference herein to The Properties should be deemed to be reference to all of such additional property where such reference is intended to include property other than that legally described above. Nothing herein, however, shall obligate the Developer to add to the initial portion of The Properties, nor to prohibit Developer from rezoning and changing the development plans with respect to such future portions and or the Developer from adding additional or other property to The Properties under such common scheme. All Owners, by acceptance of a deed to their Lots, thereby automatically consent to any such rezoning, change, addition or deletion thereafter made by Developer and shall evidence such consent in writing if requested to do so by the Developer at any time.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Association. Notwithstanding anything else to the contrary set forth in this Section 1, any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member of the Association.

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

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Section 1. When more than one person holds such interest, or interests' in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among

themselves determine, but, in no event shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to one (1) vote, plus two (2) votes for each entitled to be cast in the aggregate at any time and from time to time by the Class A Members. The Class B membership shall cease and terminate one (1) year after the last Lot within The Properties has been sold or conveyed by the Developer (or its affiliates), or sooner at the election of the Developer (whereupon the Class A Members shall be obligated to elect the Board and assume control of the Association).

Section 3. General Matters. When reference is made herein, or in the Articles, By-Laws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members and not to the Members themselves.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREAS; OTHER EASEMENTS

Section 1. Members Easements. Each Member shall have a non-exclusive permanent and perpetual easement over and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, their tenants, agents and invitees, in such manner as may be regulated by the Association.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(a) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats or portions of the properties from time to time recorded.

(b) The right of the Association to suspend the Owner's (and his permitees') voting rights and right to use the recreational facilities (if any) for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of lawfully adopted and published rules and regulations.

(c) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing, among other things, the rule of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(d) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to all members, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

(e) The right of the Developer to permit such persons as Developer shall designate to use the Common Areas and all recreational facilities located thereon (if any).

(f) The right of the Association, by a 2/3rd affirmative vote of the Members, to dedicate all or portions of the Common Areas to a public agency under such terms us the Association deems appropriate and to create or contract with special taxing districts for lighting, roads, recreational or other services, security or communications and other similar purposes deemed appropriate by the Developer (to which such creation or contract all Owners hereby consent).

Section 2. Easements Appurtenant. The easements provided in Section 1 shall be appurtenant to and shall pass with the title to each Lot.

Section 3. Maintenance. The Association shall maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Areas and the paving, roads, drainage structures, street lighting fixtures and appurtenances, landscaping, improvements, water and sewer utilities, including any buildings, piping, pumps or treatment facilities, and other structures (except for other utilities not owned or operated by the Association) situated on the Common Areas, if any, all such work to be done as ordered by the Board of Directors of the Association. Maintenance of the aforesaid street lighting fixtures shall include and extend to payment for all electricity consumed in their illumination. Without limiting the generality of the foregoing, the Association shall assume all of Developer's, and its affiliates' responsibility to Marion County of any kind with respect to the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

The Association may, at its option, maintain and repair other portions of the Lots and improvements constructed thereon, in the manner hereinafter contemplated, and easements over such Lots and Units constructed thereon are hereby created in favor of the Association and its designees to effect such maintenance and repair. The Association shall, at its option, provide lawn mowing and related services to the Lots in the Development. Each Owner shall be responsible, however, for the maintenance, replacement and repair of landscaping on that Owner's Unit or Lot, and for his air conditioning unit, wherever located, and for all other structures on the Lot. A Unit Owner shall maintain the exterior and roof of his Unit.

All work pursuant to this Section and all expenses incurred hereunder shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith. No Owner may waiver or otherwise escape liability for assessments by non-use of the Common Areas or abandonment of the right to use the Common Areas.

Notwithstanding any provision to the contrary set forth elsewhere in this Article IV, Section 3, or any other provision of this Declaration, the Association shall not have the obligation to maintain, manage, operate or insure the recreational facilities located on Tract B of the plat of The Falls of Ocala Unit No.1, recorded in Plat Book Y, beginning at Page 8, Public Records of Marion County, Florida (the "Plat") until such time as the Developer imposes such responsibilities on the Association by written document, which document may be in the form of an amendment or supplemental declaration to this Declaration or may take such other form, either recorded or unrecorded, as the Developer determines in its sole discretion. Furthermore, prior to the time of such assignment by the Developer to the Association the Developer shall

have no responsibility whatsoever to maintain, manage, operate and insure said recreational facilities, except as the Developer determines is appropriate in its sole discretion.

Section 4. A. Utility Easements. Use of the Common Areas for utilities, as well as the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration. The Developer and his affiliates and its and their designees and successors and assigns shall have a perpetual easement over, upon and under the Common Areas for the installation and maintenance of community and/or cable TV and security and other communication lines, equipment and materials and other similar underground television, radio and security cables, or other devices or hardware necessary for services of any nature, kind or type to the Lots and other portions of the Development. Upon the termination of the Class B membership, the Developer's right to a perpetual easement for Utility Easements shall inure to the Association.

B. Access Easements. All Owners and their invitees and guests shall have a non-exclusive easement over all Common Areas platted as roads for ingress and egress to these Owners' Lots subject to the rights and easements reserved in the Developer hereunder.

Section 5. Public Easements. Fire, police, health and sanitation, park maintenance and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas.

Section 6. Ownership. The Common Areas are hereby dedicated non-exclusively to the joint and several use, in common, of the Developer and the Owners of all Lots that may from time to time constitute part of The Properties and the Developer's and such Owners' tenants, guests and invitees. The Common Areas (or appropriate portions thereof) shall, upon completion of the improvements thereon, be conveyed to the Association, which shall accept such conveyance. Beginning from the date these covenants are recorded, the Association shall be responsible for the maintenance of such Common Areas (whether or not then conveyed or to be conveyed to the Association), such maintenance to be performed in a continuous and satisfactory manner without cost to the general taxpayers of Marion County. That portion of Tract B as shown on the plat of The Falls of Ocala, Unit No.1, not shown as dedicated for Recreational Facilities on the plat shall not be deemed a Common Area and may be conveyed by the Developer to a party other than the Association. It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be proportionally assessed against and payable as part of the taxes of the applicable Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded, and such taxes shall be prorated between Developer and the Association as of the date of such recordation. Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of The Properties for the purpose of construction, reconstruction, repair, replacement and/or alteration of any improvements or facilities on the Common Areas or elsewhere on The Properties that Developer and its affiliates elect to effect, and to use the Common Areas and other portions of The Properties for sales, displays and signs or for any other purpose during the period of construction and sale of any portion of the Development. Without limiting the generality of the foregoing, the Developer and its affiliates shall have the specific right to maintain upon any portion of The Properties sales, administrative, construction and other offices without charge, and appropriate easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns,

employees and contractors, for this purpose. Any obligations to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Developer shall not be liable for delays in such completion to the extent resulting from the above-described activities.

Section 7. Other Easements. The Association shall have the right to grant permits, licenses and easements over the Common Areas for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance and operation of the Development.

ARTICLE V

ASSOCIATION-COVENANT FOR MAINENANCE ASSESSMENTS

Section 1. Creation on the Lien and Personal Obligation of the Assessments. The Association may charge an assessment to the initial purchaser of a Lot for costs associated with capital improvements or the maintenance and operation of the Common Areas, and Lots and Units, in addition to any annual assessments that may be imposed on the Lot or Unit.

Except as provided elsewhere herein, the Developer (and each party joining in this Declaration or in any supplemental declaration), for all Lots that are developed and which have been designated by the Developer as offered for sale within The Properties, hereby covenant and agree, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments or charges for the Common Areas and Lots and Units as provided elsewhere herein, including capital improvement assessments, as provided elsewhere herein, all other charges and assessments hereinafter referred to, all such assessments to be fixed, established and collected from time to time its herein provided. In addition, special assessments may be levied against particular Owners and Lots for fines, expenses incurred against particular Lots and/or Owner to the exclusion contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid. Except as provided herein with respect to special assessments which may be imposed on one or more Lots and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Lots subject to its jurisdiction annually.

An action may be brought in the appropriate court for a judgment against the Owner of the Lot or Unit for any such assessments, fines or other charges, which may be brought as an action to foreclose a lien against the property and/or an action for collection of personal indebtedness against the individual Lot or Unit Owner.

Reference herein to assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

Section 2. Purpose of Assessments. The regular assessments levied by the Association shall be used for maintenance of the Common Areas, for operation and maintenance of the Common Areas, for payment of any taxes and assessments assessed thereon, for certain Lot and Unit maintenance, for capital improvements, insurance, reserves (if any), and to promote the health, safety, welfare and recreational opportunities of the Members of the association and their families residing with them, their guests and tenants, all as provided for herein. The purpose statement set forth herein is not intended to act as a limitation on the right of the Association to levy any assessment, fee or charge as is set forth herein. The Association is presumed to be acting in the best interest of the Members of the Association in the levying of any such fees, charges or assessments and this paragraph is not intended in any way to limit the Association from accomplishing any of the purposes set forth in these Covenants.

Section 3. Specific Damage. Each Owner shall be liable to the Association for damage to Common Areas caused by that Owner or that Owner's family and/or guests or business invitees where such damage is the result of misuse or negligence, and a specific assessment may be levied therefore against such Owner or Owners. Such special assessments shall be subject to all of the provisions hereof relating to other assessments, including, but not limited to, the lien and foreclosure procedures.

Section 4. Exterior Maintenance. Notwithstanding anything to the contrary contained herein, the Association may provide for the mowing and related lawn care services for lawns of the individual Lots and the costs to provide those services shall be considered in establishing any assessment by the Association. The Owner of a Unit shall maintain the front, side and rear yard(s) of his Lot including any landscaping, trees or other vegetation. The Owner, except as contemplated specifically herein, shall maintain the structures and grounds on each Lot at all times in a neat and attractive manner and as provided elsewhere herein. Upon the Owner's failure to do so, the Association may at its option, after giving the Owner five (5) days written notice sent to his last known address or to the address of the subject premises, have that portion of the grass, weeds, shrubs, **trees** and vegetation which the Owner is to maintain cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs and plants removed from such Lot, and other areas and replaced, and may have any portion of the Lot, and other areas resodded or landscaped, and all expenses of the Association under this sentence shall be a lien and special assessment charged against the Lot on which the work was done and shall be the personal obligation of all Owners of such Lot. Upon the failure of the Owner of a Unit to maintain the exterior of the Unit(s) in good repair and appearance, the Association may, in its option, after giving the Owner thirty (30) days written notice sent to his or its last known address, make repairs and improve the appearance in a reasonable and workmanlike manner. The cost of any of the work performed by the Association upon the Owner's failure to do so shall be immediately due and owing from the Owner of the Lot and shall constitute a special assessment against the Lot(s) on which the work was performed, collectible in a lump sum and secured by the lien against the Lot(s) as herein provided. No bids need to be obtained by the Association for any such work and the Association shall designate the contractor in its sole discretion.

Section 5. Capital Improvements. Funds in excess of $5,000.00 in any one case which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance) relating to the Common Areas under the jurisdiction of the Association and which have not previously been collected as reserves or are otherwise available to the Association shall be levied by the Association as special assessments only upon approval of a majority by two-thirds (2/3) favorable vote of the Members of the Association voting at a meeting or by ballot as may be provided in the By-Laws of the Association.

Section 6. Date of Commencement of Annual Assessment Due Dates. The annual assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31.

The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors of the Association.

The assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year, but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any special assessment shall be fixed in the Board resolution authorizing such assessment.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot subject to the Association's jurisdiction for each assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto thirty (30) days prior to payment of the first installment thereof, except as to emergency assessments. In the event no such notice of a change in the assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

Subject to other provisions herein, the Association shall upon demand at any time furnish to any Owner liable for an assessment a certificate in writing signed by an officer of the Association, setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of any assessment to the Association therein stated to have been paid.

The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of the Developer) for management services. The Association shall have all other powers provided in its Articles of Incorporation and By-Laws.

Section 8. Effect of Non-Payment of Assessment; the Personal Obligation; the Lien, Remedies of the Association. If the assessments (or installments thereof) are not paid on the date(s) when due (using the date(s) specified herein), then such assessments (or installments) shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. The personal obligation of the then Owner to pay such assessment shall pass to his successors in title and recourse may be had against either or both.

If any installments or an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any on unpaid installment and if such installment is not paid thereafter, it and the last charge shall accrue interest as provided but shall not be subject to additional late charges, provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid) or the next 12 months worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest from the dates when due until paid at the highest lawful rate and the Association may bring an action at law against the Owner(s) personally obligated to pay the same or may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot, on which the assessments and late charges are unpaid or may foreclosure the lien against that Lot for which the assessments and late charges are unpaid, or may pursue one or more or such remedies at the same time or successively, and attorneys' fees and costs of preparing and filing the claim of lien and the complaint, if any, in such action shall be added to the amount of such assessments, late charges and interest, and in the event of the judgment is obtained, such judgment shall include all such sums as above provided and reasonable attorneys' fee to be fixed by the court together with the costs of the action, and the Association shall be entitled to attorneys' fees in connection with any appeal of any such action.

In the case of an acceleration of the next 12 months worth of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provide that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Lot shall be levied by the Association for such purposes.

In addition to the rights of collection of assessments stated in this Section, any and all persons acquiring title to or an interest in a Lot as to which the assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Areas until such time as all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid and no sale or other disposition of Lots shall be permitted until an estoppel letter is received from the Association acknowledging payment in full of all assessments and other sums due; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees and purchasers contemplated by Section 9 of this Article.

It shall be the legal duty and responsibility of the Association (as hereinafter contemplated) to enforce payment of the assessments hereunder. Failure of the Association to send or deliver bills shall not, however, relieve Owners from their obligations hereunder.

All assessments, late charges, interest, penalties, fines, attorneys fees and other sums provided for herein shall accrue to the benefit of the Association.

Owners shall be obligated to deliver the documents originally received from the Developer, containing this and other declarations and documents, to any grantee of such Owner.

Section 9. Subordination of the Lien. The lien of the assessments provided for in this Article shall be subordinate to tax liens and to the lien on any mortgage recorded prior to recordation by the Association of a claim of lien, which mortgage encumbers a Lot to any Institutional lender (as defined in Article I, Section (e) hereof) and which is now or hereafter placed upon any property subject to assessment;

provided, however, that any such mortgagee when in possession or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgagee acquiring a deed in Lieu of foreclosure, and all persons claiming by, through or under such purchaser or mortgagee, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure or conveyance in Lieu of foreclosure. Any unpaid assessment which cannot be collected as lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure, (or conveyance in lieu of foreclosure) took place.

Section 10. Access at Reasonable Hours. The Association, through its duly authorized agents or employees or independent contractors, shall have the right, after reasonable notice to the Owner, to enter upon any Lot and Unit at reasonable hours on any day for the purpose solely of performing the Lot and exterior maintenance authorized by this Article, and shall also have a reasonable right of entry upon any Unit and Lot to make emergency repairs or to do other work reasonably necessary for the proper maintenance of operation of the Development.

Section 11. Effect on Developer. Notwithstanding any provision that may be contained to the contrary in this instrument, for as long as Developer is the Owner of any Lot, the Developer shall not be liable for assessments against such Lot, provided that Developer funds any deficit in operating expenses (exclusive of reserves and management fees) of the Association. Developer may at any time and from time to time commence paying such assessments as to Lots that it owns and thereby automatically terminate its obligation to fund deficits in the operating expenses of the Association, or at any time and from time to time elect again to fund deficits as aforesaid. When all Lots within The Properties are sold and conveyed to purchasers, Developer shall not have any further liability of any kind to the Association for the payment of assessments or deficits.

Section 12. Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special assessments, shall be held by the Association for the Owners of all Lots, as their interests may appear, and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions the deposits of which are insured by an agency of the United States.

Section 13. Homeowners Documents, Books and Papers. The Association shall have current copies of the Declaration of Covenants and Restrictions for The Falls of Ocala No.1, the By-Laws of The Falls of Ocala Homeowner Association, Inc., the Rules and Regulations for The Properties, and the books, records and financial statements of the Association available for inspection, upon prior written request and in accordance with any requirements of then existing law, during normal business hours, to Members of the Association and lenders, and to holders, insurers or guarantors of any first mortgage on any Unit and Lot located in The Properties.

Section 14. Reserves for Replacement. The Association shall establish and maintain, out of regular assessments for common expenses, an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Areas. The Association shall exercise reasonable care in making a determination about the condition of the Common Areas and the funding of reserves as set forth above. The Association shall be deemed to comply with this requirement if it retains an independent third party to evaluate the condition of the Common Areas who provides a recommendation for the adequate funding of the reserves as set forth above. At least six months prior to the time the Class B

Members shall cease and terminate, the Association shall provide notice to the Owners that information on the condition of the Common Areas and the major utility systems and facilities serving The Properties is available for inspection. The Owners shall have six (6) months to inspect the information provided and to make an independent determination of the condition of the Common Areas and the major utility systems and facilities and of the necessity to fund reserves for replacement or repair of same. The Association and the Developer shall have no liability to any Owner for failure to fund reserves or to maintain, repair or replace any of the Common Areas, or utility systems and facilities unless the Owner or Owners give notice of an objection to the independent third party evaluation. Such objection shall be given to the Association within six (6) months of the Association's notice of the availability of that information. The Owner or Owners waive any claim of any kind whatsoever concerning the condition of the premises and funding of reserves unless notice is given pursuant to this paragraph. Notice under this paragraph shall be given to the last known address of the Association or the Owner, by certified mail. Any civil action with respect to funding adverse reserves against the Association, or the Developer must be commenced within one year of the date of the notice by the Association or set forth above.

ARTICLE VI

CERTAIN RULES AND REGULATIONS

Section 1. Applicability. The provisions of this Article VI shall be applicable to all of The Properties except where specifically noted to the contrary herein.

Section 2. Land Use and Building Type. No Lot shall be used except for residential purposes. No building, constructed on a Lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single-family manufactured or site-built home. The term "manufactured home" shall be defined as set forth in Article I, Section (j). Temporary uses by Developer and its affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such uses, shall be permitted until permanent cessation of such uses takes place. No changes may be made in buildings erected by the Developer or its affiliates (except if such changes are made by the Developer) without the consent of the Architectural Control Board as provided herein.

Section 3. Easements. Easements for installation and maintenance of utilities are reserved as shown on the recorded plats covering The Properties and as provided herein. Within these easement, no structure, planting or other material may be placed or permitted to remain that will interfere with or prevent the maintenance of utilities. The area of each Lot covered by an easement and all improvements in the area shall be maintained continuously by the Association, except as provided herein to the contrary and except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association and Developer and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance of water lines, sanitary sewer, storm drains, and electric, telephone and security lines, cables and conduits, under and through the utility easements as shown on the plats or as established herein. Developer and its affiliates, and its and their designees, successors and assigns, shall have a perpetual easement for the installation and maintenance of cable and community antennae, radio, television and security lines, or other devices or hardware necessary for services of any nature, kind or type to the Lots and other portions of the Development. Upon the termination of the Class B membership, this

right to Utility Easements shall inure to the Association. All utilities and lines within the subdivision, whether in street right-of-way or utility easements, shall be installed and maintained underground.

Section 4. Nuisances. No noxious, offensive or unlawful activity shall be carried on upon The Properties, nor shall anything be done thereon which may be or may become an annoyance or nuisance to other Owners.

Section 5. Temporary Structure. No structure of a temporary character, or trailer, tent, motor homes, or recreational vehicle, shall be permitted on The Properties at any time or used at any time as a residence, either temporarily or permanently, except by the Developer and its affiliates during construction or as provided in Section 2 of this Article. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Unit or on or about any ancillary building.

Section 6. Signs. No sign of any kind shall be displayed to the public view on The Properties, except sale, identity, and promotional signs erected by Developer, traffic signs and one sign of not more than one (1) square foot used to indicate the name of the resident or one sign of not more than five-- (5) square feet advertising the property for sale or for rent (in locations and in accordance with design standards approved, by the Architectural Control Board), or any sign used by a builder to advertise the builder during the construction and sales period. No sign of any kind shall be permitted to be placed inside a home or on the outside walls of the home or on any fences on The Properties, or on the Common Areas, nor on dedicated areas, if any, nor on entryways or any vehicles with The Properties, except such as are placed by the Developer or its affiliates.

Section 7. Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in The Properties. No derrick or other structure designed for use in boring for oil or natural gas shall, be erected, maintained or permitted upon any portion of the land subject to these restrictions.

Section 8. Pets, Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except no more than one (1) household pet may be kept, provided it is not kept, bred or maintained for any commercial purpose, does not weight greater than 20 pounds at maturity, and provided that it does not become a nuisance or annoyance to any neighbor. No dogs or other pets shall be permitted to have excretions on any Common Areas, except areas designated by the Association, and Owners shall be responsible to clean-up any such improper excretions. For purposes hereof, "household pets" shall mean dogs, cats and domestic birds and fish. Pets shall also be subject to applicable rules and regulations. Those pets owned in 1994 by the owners of lot numbers 12 and 13, Block A and Lot 3, Block C are excepted from the weight limitation, but in no event are new pets permitted on those lots unless they meet the criteria stated in this section.

All pets must be registered with the Association as to the breed, size and description, as well as provide a copy of current license and vaccinations to management. Pet owners shall be responsible for any damage caused by his or her pet to the properties, as defined in Article I, Section (i), or the property of any other Owner.

Section 9. Visibility at Intersection. No obstruction to visibility at street intersections or Common Areas intersections shall be permitted.

Section 10. Architectural Control. No building, wall, fence or other structure or improvement of any nature shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Architectural Control Board have been approved in writing by the Architectural Control Board named below and all necessary governmental permits are obtained. Each building, wall, fence or other structure or improvement of any nature, together with landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved and applicable governmental permits and requirements. Refusal or approval of plans, specifications and plot plans, or any of them may be based on any ground, as said Architectural Control Board, deems sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of the landscaping, shall be deemed an alternation required approval. The Architectural Control Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. The Architectural Control Board (a committee appointed by the Board of Directors of the Association) is composed initially of:

Brandon Webb
Charles Johns

and the address of said Board is, until changed, 55 S.W. 79th Terrace, Ocala, Florida 32674. A majority of the Board may take any action the Board is empowered to take, may designate a representative to act for the Board and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Board, the Board of Directors of the Association shall have the authority to designate a successor. The members of the Board shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Control Board shall act on submissions to it within thirty (30) days after receipt of the same (and all further documentation required) or else the request shall be deemed approved. Members of the Board shall be appointed by the Board of Directors of the Association as a committee thereof.

Section 11. Exterior Appearances and Landscaping. The paint, coating, stain and other exterior finishing colors on all residential buildings may be maintained as that originally installed, without prior approval, of the Architectural Control Board, but prior approval by the Architectural Control Board shall be necessary before any such exterior finishing, color or building material is changed. The Lot landscaping, including, without limitation, the trees, shrubs, lawns, flower beds, walkways and ground elevations, shall be maintained by the Owner or by the Association, as provided elsewhere herein, as originally installed by Developer, unless the prior approval for any change, deletion or addition, is obtained from the Architectural Control Board.

Section 12. Commercial Trucks, Trailers, Campers and Boats. No trucks or commercial vehicles, or campers, motor homes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or vans, shall be permitted to be parked or to be stored at any place on The Properties, nor in dedicated areas, unless the Developer designates specifically certain spaces for some or all of the above. This prohibition of parking shall not apply to privately owned pick-up trucks or unit owners and guests or to boats or trailers therefore which fit entirely within the Unit Owner's carport, nor temporary parking of trucks and commercial vehicles, such as for pick-up and delivery and other commercial services, nor to vans for personal use which are in acceptable condition in the sole opinion of the Board (which favorable opinion may be changed at any time), nor to any vehicles of the

Developer or its affiliates. Any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations now or hereafter adopted may be towed by the Association at the sole expense of the Owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the Owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the Owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers and trailers; and an affidavit of the person posting such notice stating that it was properly posted shall be conclusive evidence of proper posting. In no event shall the provisions of this Article VI, Section 12 be deemed to prohibit "manufactured homes" as said term is defined in Article I, Section (j) of this Declaration.

Section 13. Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the applicable governmental authority for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than the day of the scheduled collection and must be removed before the end of the day of collection. In the event that governmental disposal or collection of waste is not provided to individual Units or Lots, garbage, refuse, trash or rubbish shall be deposited by each Owner in a dumpster designated by the Association and shall be collected by a private entity hired by the Association.

Section 14. Fences. No fence, wall or other structure shall be erected in the front yard, back yard, or side yard setback areas, except as originally installed by Developer or its affiliates, and except any approved by the Architectural Control Board as provided above.

Section 15. Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Control Board for energy conservation purposes.

Section 16. Exterior Antennas. Except as provided in Article IV, Section 6 herein, no exterior antennas except for those antenna which are preempted by the Federal Telecommunications Act of 1996, as amended, or any other federal, state or local law or ordinance, shall be permitted on any Lot or improvement thereon, except that Developer and its affiliates shall have the right to install and maintain community antennas, master antennas, microwave antennas, dishes, satellite antenna and radio, television and security lines.

Section 17. Leases. No portion of a Lot and Unit, other than an entire Lot and Unit, may be rented. All leases shall be on forms approved by the Association and shall provide that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing The Properties or administered by the Association. Leasing of any Lots and Units shall also be subject to the prior written approval of the Association, which approval shall not be

unreasonably withheld. No lease shall be approved for a term less than six (6) months. The Owner will be jointly and severally liable with the tenant to the Association for any sum which is required by the Association to effect repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. The foregoing section shall not apply to leases made by the Developer or its affiliates.

Section 18. Additional Rules and Regulations. Attached hereto as Schedule A are certain additional rules and regulations of the Association which are incorporated herein by this reference and which, as may the foregoing, may be modified, in whole or in part, at any time by the Board without the necessity of recording an amendment hereto or thereto in the public records.

Section 19. Fifty-five and Older Community. The Properties subject to this Declaration are intended and operated for occupancy by persons 55 years of age and older and, as such, adhere to the requirements of the Housing for Older Persons Act of 1995. Consequently, at least 80 percent of the occupied Units must be occupied by at least one person who is 55 years of age or older as of the date of occupancy. In the event the oldest occupant of a Unit dies or vacates the home, the remaining occupant(s) may continue as an occupant of the Unit as long as at least 80 percent of the occupied Units, including that occupied by the remaining resident(s), are occupied by at least one person 55 years of age or older. Notwithstanding the above, the minimum age for all residents is 45 years of age or older. Notwithstanding the express policy and intent to the contrary, the Association reserves the right, in its sole discretion, to grant exceptions to the age requirements of this Section, as long as at least 80% of the occupied Units, including that of the new resident, are occupied by at least one person 55 years of age or older.

Prior to occupancy of any Unit, or upon demand of the Developer or Association, all prospective occupants and all existing occupants shall be required to produce for inspection and copying, one of the following age verification documents: driver's license; birth certificate; passport; immigration card; military identification; other valid local, state, national or international documents containing a birth date of comparable reliability or a certification in a lease, rental agreement, application, affidavit or other document signed by any adult member of a household asserting the age of its occupants.

On January 1st of each even numbered year, all existing residents shall be required to provide the names and ages of all current occupants of the unit, in writing, to Community Management. Failure to provide the written occupant documentation shall constitute a violation subject to enforcement by the Association.

ARTICLE VII

RESALE RESTRICTIONS

No Owner may sell or convey his interest in a Lot unless all sums due the Association by that Owner shall be paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefore. The Owner requesting the certificate shall pay to the Association a reasonable sum to cover the costs of examining record and preparing the certificate.

ARTICLE VIII

ENFORCEMENT

Section 1. Compliance by Owner. Every Owner shall comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

Section 2. Enforcement. Failure of an Owner to comply with such restrictions, covenants and rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights and use of Common Areas (except for legal access to that Owner's lot) of defaulting Owners. The defaulting Lot Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

Section 3. Fines. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner of the alleged infraction of infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors at which time the Owner shall present reasons why penalties should not be imposed. At least six (6) days' notice of such meeting shall be given.

(b) Hearing: The alleged non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why penalties should not be imposed. A written decision of the Board of Directors shall be submitted to the Owner by not later than twenty-one (21) days after the Board of Directors' meeting. The Owner shall have a right to be represented by counsel and to cross-examine witnesses. If the impartiality of the Board is in question, the Board shall appoint three (3) impartial Members to a special hearing panel.

(c) Penalties: The Board of Directors (if its or such panel's findings are made against the Owner) may impose special assessments against the Lot owned by the Owner as follows:

(1) First non-compliance or violation: a fine not in excess of $50.00.

(2) Second non-compliance or violation: a fine not in excess of $100.00.

(3) Third and subsequent non-compliance, or violation or violations which are of a continuing nature: a fine not in excess of $200.00.

The special assessments may be increased by a majority vote of the Board of Directors.

(d) Payment of Penalties: Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments as set forth herein.

(f) Application of Penalties: All monies' received from fines shall be allocated as directed by the Board of Directors.

(g) Non-exclusive Remedy: These fines 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; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

ARTICLE IX

INSURANCE

Section 1. Coverage. The Association may maintain insurance covering the following:

(a) Casualty. All improvements located on the Common Areas from time to time, together with all fixtures, building service equipment, personal property and supplies constituting the Common Areas or owned by the Association (collectively the "Insured Property"), which shall be insured in an amount not less than one hundred percent (100%) of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies shall afford protection against (i) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and (ii) such other risks as from time to time are customarily covered with respect to buildings and improvements similar to the insured Property in construction, location and use, including, but not limited to, vandalism, malicious mischief and those covered by the Standard "all risk" endorsement.

(b) Liability. Comprehensive general public liability and automobile liability insurance covering injury, loss or damage resulting from accidents or occurrences on or about or in connection with the Insured property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property (including, but not limited to, liability arising from lawsuits related to employment contracts to which the Association is a party), with such additional coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than $1,000,000 for each accident or occurrence, $100,000 per person and $50,000 property damage, and with a cross liability endorsement to cover liabilities of the Owners as a group to any Owner, and vice versa.

(c) Flood Insurance covering the Insured Property shall be maintained by the Association if the Development is in a special flood hazard area or if the Association so elects. The amount of flood insurance shall be the lesser of: (i) 100% of the current replacement cost of the Insured Property; or (ii) the maximum coverage available for the Insured Property under the National Flood Insurance Program.

(d) Fidelity Insurance or Bonds naming the Association as obligee and covering all directors, officers and employees of the Association shall be maintained by the Association in an

amount which is the greater of $10,000 or the maximum amount of funds that will be in custody of the Association at any time while the bond is in force; notwithstanding the foregoing sentence, however, such fidelity insurance or bond shall not be for an amount less than the sum of three (3) months' assessments on all Units and Lots, plus the Association' s reserve funds for each person so insured or bonded.

(e) Other Insurance. The Association may also maintain worker's compensation or such other insurance as the Board may determine from time to time.

Every casualty insurance policy obtained by the Association may have the following endorsements: (i) agreed amount and inflation guard, and (ii) an appropriate endorsement covering the costs of changes to undamaged portions of the improvements (even when only a portion thereof is damaged by an insured hazard) if any applicable construction code requires such changes.

Section 2. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense, except that the amount of increase in the premium occasioned by misuse, occupancy or abandonment of any one or more Units or their appurtenances or of the Common Areas by, or any other action or omission of, particular Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

AR'I'ICLE X

Section 1. Notice to Member or Owner. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 2. Notice to Lenders. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot address, any mortgage holder, insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation or casualty loss that affects either a material portion of the Insurer Property or the Lot and Unit securing its mortgage.

(b) Any 60-day delinquency in the payment of assessments or charges owned by the Owner of any Unit and Lot on which it holds the mortgage.

(c) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

(d) Any proposed action that requires the consent of a specified percentage of mortgage holders.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind The Properties, and shall inure to the benefit of and be enforceable by the Developer, the Association, the Architectural Control Board and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Amended Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75% of all the Lots subject hereto has been recorded, agreeing to revoke said covenants and restrictions. Provided, however, that no such agreements to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Enforcement. Enforcement of these covenants and restrictions may be accompanied by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by the covenants; and failure 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 or any portion thereof, or the application thereof in specific circumstance by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect. In the event that any interpretation can be given to any such covenant, restriction or portion thereof which would save same from being invalidated, then such covenant, restriction or portion thereof shall be interpreted in that manner. In the event a provision of the covenants and restrictions would cause invalidation, or the unenforceability, of all the covenants and restrictions than such provision shall be stricken and be of no force or effect to the extent it causes such invalidation and unenforceability and the balance of the covenants and restrictions shall remain in full force and affect to the maximum extent permitted by law.

Section 4. Amendment. In addition to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed or added to at any time and from time to time upon the execution and recordation of an instrument executed by the Developer alone, for so long as it or its affiliates holds title to any Lot affected by this declaration; or alternatively by approval at a meeting of Owners holding not less than 66 2/3% vote of the membership in the Association, provided that so long as the developer or its affiliates is the Owner of any Lot affected by this declaration, the Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, affects its interest. This Section 5 is subject to the provisions of Article I (d). Without limiting the generality of the foregoing paragraph, the Developer specifically reserves the right to amend this Declaration in order to comply with the requirements of Federal Housing Authority, Veteran's Administration, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation.

Section 5. Effective Date. This Declaration shall become effective upon its recordation in the Marion County Public Records.

Section 6. Conflict. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and By-Laws of the Association and the Articles shall take precedence over the By-Laws.

Section 7. Standards for Consent, Approval Completion Other Action and Interpretation. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association or the Architectural Control Board, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed by the Developer or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer Association, as appropriate. This Declaration shall be interpreted by the Board of Directors and a written opinion of counsel to the Association rendered in good faith that a particular interpretation is not unreasonable shall establish the validity of such interpretation.

Section 8. Easements. Should the intended creation or any easement provided for in this Declaration fail by reason of the fact that at any time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have bean so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Unit Owners designate hereby the Developer and. the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose or later creating such easement as it was intended to have been created herein. Formal language or grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provision.

Section 9. Covenants Running With The Land. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF SECTION 1 HEREOF, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTIES WITHOUT LIMITING THE GENERALITY OF SECTION 4 HEREOF, IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION AND/OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS T0 SO RUN WITH THE LAND; BUT IF SUCH PROVISION AND/OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION AND/OR APPLICATION SHALL DE UNENFORCADLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES AFFECTED HEREBY (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

Section 10. Management Contract. At such time as it sees fit, the Association is hereby authorized to enter into an agreement with a management company (which may be an affiliate of the

Developer) to provide for the management and maintenance of The Properties, in which case each Unit Owner shall be assessed for his Unit's and Lot's share of the management fees, in accordance with the assessment provisions contained in this Declaration.

Section 11. Termination. Notwithstanding the provisions of Article XI, Section 1, herewith, this Declaration may be terminated at any time upon the recording in the Public Records of Marion County, Florida, of an instrument terminating this Declaration, which instrument shall be signed by the Owners and Institutional Lenders of all of the property subject to this Declaration, provided, however, that until Developer completes its development of all properties submitted to or planned by the Developer to be submitted to the provisions of this Declaration, no such termination shall be made without the prior written approval and joinder of the Developer.

EXECUTED as of the date first above written.

Stephanie Ware
Witness

Witness

CMH Parks, Inc., a Tennessee Corporation

By:
Brandon Webb
Its designated representative

Signed, Sealed and Delivered in the Presence of:

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me, this 20th day of June, 2005, by Brandon Webb of CMH Parks, Inc., on-behalf of the corporation.

Notary Public

Karen K.M. McLelland
Commission #DD201763
Expires: Apr 09, 2007
Bonded Thru
Atlantic Bonding Co., Inc

My Commission Expires:

SCHEDULE A TO
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR THE FALLS OF OCALA NO. 1

1. The Common Areas and facilities shall not be obstructed nor used for any purposes other than the purposes intended therefore. No carts, bicycles, carriages, chairs, tables or any other similar objects shall be stored therein.

2. The personal property of Owners must be stored in their respective units or in outside storage areas (if any are provided by Developer).

3. Employees of the Association are not to be sent out by Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

4. No motor vehicle which cannot operate on its own power shall remain on The Properties for more than twenty-four (24) hours, and no repair of such vehicles shall be made thereon.

Vehicles which are in violation of these rules and regulations shall be subject to being towed by the Association as provided in the Declaration.

5. No Owner shall make or permit any disturbing noises in the Unit or on the Lot by himself or his family, servants, employees, agents, visitors or licensees, nor permit any conduct by such persons that will interfere with the rights comforts or conveniences of other Owners. No Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio or sound amplifier of any other sound equipment in his Unit or on his Lot in such a manner as to disturb or annoy other residents. No Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

6. No electronic equipment may be permitted in or on any Unit or Lot which interferes with the television or radio reception of another Unit.

7. No awning, canopy, shutter, enclosure or other projection shall be attached to or placed upon the outside walls or roof of the Unit or on the Lot, except as approved by the Architectural Control Board.

8. No Owner may alter in any way any portion of the Common Areas, including, but not limited to, landscaping, without obtaining the prior written consent of the Architectural Control Board.

9. No commercial use shall be permitted in the Development even if such use would be permitted under applicable zoning ordinances.

10. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit, or a Lot or on the Common Areas.

11. An Owner who plans to be absent for more than 60 days must prepare his Unit and Lot prior to his departure by designating a responsible firm or individual to care for his Unit and Lot should the Unit suffer storm damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

12. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within

The Properties and including full compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Loud noises will not be tolerated. All children twelve (12) years of age and younger must be accompanied by a responsible adult when entering and/or utilizing recreation facilities (if any).

13. Pets and other animals shall neither be kept nor maintained in or about The Properties except in accordance with the Declaration and with the following:

(a) Under no circumstances shall more than one (1) household pet be permitted for each Lot. No pet shall be permitted outside of its Owner's Unit unless attended by an adult and on a leash of reasonable length. Said pets shall only be walked or taken upon those portions of the Common Areas designated by the Association from time to time for such purposes. In no event shall said pets ever be allowed to be walked or taken on or about the recreational facilities (if any) contained within the Common Areas.

(b) Any pet deemed to be objectionable by the Board of Directors for any reason shall be removed promptly by the Owner on fifteen (15) day's notice.

14. Every Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of any Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights and use of recreation facilities, if any, in the event of failure to so comply. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his tenants, family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, as provided in the Declaration.

15. These rules and regulations shall not apply to the Developer, nor its affiliates, agents or employees and contractors nor to institutional first mortgages, nor property while owned by either the Developer or its affiliates or such mortgagees. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant

relief to one or more Owners from specific rules and regulations upon written request therefore and good cause shown in the sole opinion of the Board.