

**Cross Creek Lake Estate
Summary
Deed Restrictions**

HOME:	1800 Square ft. Minimum under air L.A. 1600 minimum first floor of (2) story
ROOF:	Tile, Metal, Architectural Shingles
BOATS/RV's:	Garage only, possible offsite parking
GARAGE:	Side entry, 2 car minimum, no carports
COLORS: CO	Earth tones, subject to architectural review.
SIDEWALKS:	Required after construction
DOCKS:	Permitted subject to permits and architectural review
BOATING:	No gas engines permitted
LOTS:	134 Lots, 103 Lakefront lots.
BUILDERS:	Subject to architectural review
LANDSCAPING:	Floratan sod, sprinkler systems, required landscaping.
FENCES:	No fences except to conceal HVAC or pool equipment
UTILITES:	Underground County water/sewer
HOA FEES:	\$58 per month

Cross Creek

(b) all Lots subject to Assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place, with regard to services rendered exclusively to the Lots.

Section 9. Collection of Assessments. The Association shall collect the Assessments of the Association. The Association shall have all of the authority as set forth in Chapter 720 Homeowners' Association, Florida Statutes to impose and collect Assessments. When Assessments are delinquent any payment received and accepted by the Association shall be applied first to any interest accrued, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. This provision applies notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

Section 10. Effect on Developer. Notwithstanding any provision that may be contained to the contrary in this instrument, for so long as Developer is in control of the Association, the Developer shall not be liable for Assessments against the Lots owned by the Developer; provided that Developer funds any deficit in Operating Expenses (excepting reserves and management fees) of the Association. The 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; provided that if the Developer elects to fund the deficit, Campanelli shall be bound by this election and shall contribute forty-six percent (46%) of the deficit as provided in paragraph 11 of the Development Agreement between Campanelli and Cross Creek; provided further that if the Developer elects not to fund the deficit, Campanelli shall be bound by this election and shall be liable for and pay Assessments against Lots owned by Campanelli.

Section 11. Trust 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 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. Reserve accounts shall be maintained as required by Chapter 720 Homeowners' Associations, Florida Statutes.

ARTICLE VI

CERTAIN RULES AND REGULATIONS

Section 1. Applicability. Article VI shall be applicable to all of the Property, except that it shall not be applicable to the Developer or Lots/property owned by the Developer. The Developer shall have the right but shall not be obligated to assign all or any portion of its rights and privileges under this Section to the Association.

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 Residence. Temporary uses by Developer 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 any buildings erected by the Developer (except if such changes are made by the Developer) without the consent of the Architectural Control Committee as

provided herein. Use of a Lot and structure thereon for Association management purposes shall not be prohibited.

Section 3. Opening Blank Walls; Removing Fences. No Owner shall make or permit any opening to be made in any Developer or Association erected blank wall, or masonry wall or fence, except as such opening is installed by Developer. No such building wall or masonry wall or fence shall be demolished or removed without the prior written consent of the Owner of the adjoining Lot and the Developer or the Architectural Control Committee.

Section 4. Nuisances. No noxious, offensive or unlawful activity shall be carried on upon the Property, nor shall anything be done thereon which may be or may become an annoyance or nuisance to other Owners. As used herein "nuisance" means any activity which arises from unreasonable, unwarranted or unlawful use by a person of his own property, working obstruction or injury to the rights of another, or to the public, and producing such material annoyance, inconvenience and discomfort that law will presume resulting damage; that which annoys and disturbs one in possession of his property, rendering its ordinary use or occupation physically uncomfortable to him, especially a continuing or repeated invasion or disturbance; any smoke, odors, noise (including continuously barking dogs), vibration or any debris, garbage, junk, trash, weeds, unserviceable vehicles, excessive light, or any other substance or material which, by nature of its location, is considered a health or safety hazard, and/or which is considered obnoxious and offensive to the general public.

Section 5. Temporary Structures. No structure of a temporary character or trailer, trailer home, tent, tent trailer, mobile home, motor home, recreational vehicle (RV) or camper, shall be permitted on the Property at any time or used at any time as a residence, either temporarily or permanently, except by the Developer during construction. *Trailer, trailer home or mobile home* shall mean any building or structure with wheels and/or axles and any vehicle, used at any time, or constructed so as to be capable of transport on public streets or highways and constructed so as to permit occupancy thereof as a dwelling or sleeping place for one or more persons whether or not wheels and/or axles have been removed, after such building, structure or vehicle has been placed either temporarily or permanently on a foundation.

Section 6. Signs. No sign of any kind or character shall be erected, posted, or displayed to public view from the interior of the Residence or any structure or from the outside walls thereof nor from the fences nor from the common areas or dedicated areas, if any, nor on entryways nor on any vehicles within a Lot, excepting Association-approved Owner identification and address signs and such signs as may be placed there by the Developer or Association. This restriction shall be inapplicable to: advertising signs listing or selling property while owned by an institutional mortgagee which became Owner through foreclosure or deed in lieu of foreclosure; any sign used by the Developer to advertise the sale of Lots; to signs of any Developer-owned company during the construction and sales period; any sign erected by the Association to advertise or notify individuals on matters of general interest to residents of the Community; and to a sign of reasonable size for security services within 10 feet of any entrance to the home.

Section 7. Oil and Mining Operation. There shall be no oil drilling, development, refining or other mineral quarrying or mining or excavation operations of any kind on The Property.

Section 8. Pets, Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, excepting no more than two (2) household pets, but not for any commercial purpose, and provided that such pet(s) shall not become a nuisance or annoyance to any

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neighbor. No dogs or other pets shall be permitted to excrete in any Common Areas, and Owners shall be responsible to promptly clean-up same. *Household pet* means a dog, a cat or domestic bird. Pets shall also be subject to applicable rules and regulations.

Section 9. Visibility at Intersections. There shall be no obstruction to visibility at street intersections or Common Areas.

Section 10. Trucks, Trailers, Campers and Boats. No trucks or commercial vehicles, or campers, mobile home, motor homes, trailer homes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or vans, shall be parked or stored at any place on the Property, nor in any dedicated areas, unless they are stored entirely within an Owner's closed garage and are not visible from outside the closed garage. This prohibition shall not apply to 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. The above notwithstanding, recreational vehicles and trailers that are loading or unloading are allowed to park on the Property for up to twelve (12) hours. No on-street parking, parking in swales or in yards shall be permitted. Boats may be kept at approved docks, either in the water or on davits. Motorcycles shall be permitted in the Community but must be parked in a garage and shall be used on the Community roads, subject to reasonable regulation by the Board, and not for off-street operation.

Section 11. Garbage, Trash and debris: container; disposal; personal property; no outside storage. No garbage, debris, yard trimmings (branches, cuttings and clippings and the like), refuse, trash or rubbish shall be permitted, accumulated or deposited on a Lot, except as provided herein. Each Owner shall comply with the applicable waste disposal authority requirements for storage, disposal or collection of waste. Each Owner shall contract with and use the waste disposal services of the company that the authorized franchisee by the City of Sebastian to collect solid waste and yard trash. All containers and equipment for storage or disposal of waste shall be kept in a clean and sanitary condition. Containers shall be as requested by the authorized franchisee or if there are no requirements the containers shall be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity and well-sealed. Garbage or trash containers shall not be stored outside, unless buried or enclosed in a decorative enclosure or shrubs. Such containers shall not be placed out for collection more than 12 hours before scheduled collection and must be removed within 12 hours after collection. Yard debris and yard trimmings, including branches, cuttings, clippings and the like, may not be placed out for collection for more than 72 hours before scheduled collections; after that, the Owner shall be responsible to promptly remove and dispose of such yard materials. Except as provided herein, no garbage cans or trash containers, supplies or other articles shall be placed on the exterior portions of any Residence or Lot and no linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, shall be shaken or hung from or on the Residence, the Lot or any of the windows, doors, fences, balconies, patios or other portions of the Residence or Lot. Construction materials shall not be stored on a Lot for more than ninety (90) days prior to the commencement of construction nor for more than ninety (90) days after construction is concluded. Construction materials or debris on any Lot in violation of these rules may be removed by the Association and the Owner shall be liable for the cost of such removal. An Owner's personal property shall be stored in his/her residence or such outside storage areas as have been permitted by the Architectural Control Committee. No Lot shall be used or maintained as a dumping ground for rubbish. No burning of trash, leaves, debris, refuse or other material shall be allowed on any Lot.

No Owner or occupant of any Lot shall use the Lot for the open storage of any abandoned motor vehicle, ice box, refrigerator, stove, glass, building materials, building rubbish, or similar items. It shall be the duty and responsibility of each Owner or occupant of any Lot to keep such Lot clean and to remove from such Lot all such abandoned items listed above, including but not limited to trash, garbage and debris. For purposes of this provision, an abandoned motor vehicle is one that is currently unlicensed or in a state of disrepair or incapable of being moved under its own power.

Section 12. Fences. No fence, wall or other structure shall be erected on any Lot except for a wall or fence designed to conceal HVAC or pool equipment, as approved by the Architectural Control Committee as hereafter provided or except as installed by the Developer. No chain link fences shall be permitted on any Lot or portion thereof, unless installed by Developer during construction periods or approved by the Architectural Control Committee during construction periods.

Section 13. Outside Drying; Basketball Equipment. Outside clotheslines or drying stands are prohibited on all Lots. Basketball hoops and backboards are prohibited on the Property, whether mounted on a structure or free standing.

Section 14. Exterior Antennas. No exterior antennas, including satellite dishes, in excess of 24 inches in diameter, shall be permitted on any Lot or improvement thereon, except as approved by the Architectural Control Committee, except that the Developer or the Association shall have the right to install and maintain community antenna, microwave antenna, dishes, satellite antenna and radio, television and security lines.

Section 15. Post Lamp. Each Lot on which there is a Residence shall have a post lamp located in the front yard. The post lamp shall be installed prior to the issuance of the Certificate of Occupancy for the Residence. The post lamp shall be operated by a photo cell. The post lamp is required to be lighted during all non-daylight hours. The location and intensity of the light shall be subject to approval of the Architectural Control Committee.

Section 16. Small Portable Boats and Access to Crystal Lake. Small boats that do not exceed twelve (12) feet in length (no restrictions on the length of canoes or kayaks) may be utilized within the Property water areas (Crystal Lake) provided, that they are not powered by combustion engines. Combustion engines are prohibited in all water areas. Such craft are to be owned and operated only by the Owners of Lots. In no event shall the craft be repaired or maintained in the lake, or material infused thereof in the lake water. The waterside area of a Lot and maintenance thereof is the responsibility of the Lot Owner, and it shall be maintained in conformance with reasonably established standards for the whole of their perimeters as to appearance, condition and uniformity. Waterside docks with davits thereon shall be allowed in accordance with uniform standards to be set by the Architectural Control Committee and the dock shall not exceed two hundred (200) square feet in area and must run parallel to the shoreline. A covered dock or covered boat house is prohibited. The right of a Lot Owner to have a dock is subject to review, approval and issuance of all of the necessary permits by cognizant governmental agencies. No swimming shall be permitted on or in the Property water areas except as necessary for maintenance work performed by or on behalf of the Developer or Association. All Lot Owners shall have the right to use Tract I as shown on the Cross Creek Lake Estates One Plat on a temporary basis for access to Crystal Lake; however, no parking or storing of vehicles, boat trailers, boats, canoes, kayaks or any other type of water related vessel or equipment is allowed whatsoever on Tract I. However, temporary parking of

vehicles and boat trailers is allowed during the time of actual use of Crystal Lake. Tract I is to be maintained in a unobstructed open space condition, except for temporary use as authorized above.

Section 17. Owner's Responsibility. An Owner shall be responsible for maintenance of the Owner's Lot in a clean and sanitary condition. Lot Owners must keep vacant Lots mowed if said Lots are cleared of the natural vegetation. Each Lot shall at all times be maintained in an aesthetically attractive appearance and all debris, dead growth and fallen vegetation shall be removed therefrom. Each Owner shall maintain in good repair and appearance all improvements and landscaping within the Owner's Lot and any easement or drainage areas located therein. No changes shall be made to the existing slope, contour or depth of the water bodies.

Section 18. Leases and Time Shares. No portion of a Lot and Residence other than an entire Lot and Residence may be rented or leased. An Owner wishing to rent or lease said Owner's Lot and Residence shall give prior written notice of same to the Association, including the names and addresses of the proposed occupants under such lease (and such other information required by the Association). The Association may charge each Owner an administrative fee for reviewing a proposed Lease. A Lot or Residence may not be leased more often than twice during any calendar year. No lease may be less than thirty (30) days. The Association may (but shall not be obliged to) promulgate standard provisions to be included in all lease forms, in which case all leases shall include such standard provisions and, in default thereof, shall be deemed to include same. Furthermore, the right is reserved to the Association to reject for reasonable cause any proposed lease of a Lot and Residence, and a lease so rejected shall not be permitted. In the event a Lot or Residence is leased without prior written approval of the Association, the Owner shall be subject to a fine of Fifty Dollars (\$50.00) per day for each day of the unapproved tenancy. The Owner shall remain liable for all Assessments levied by the Association, whether the tenant has been approved or not, and the Owner shall also be responsible to pay for any damages, clean-up, repairs, maintenance costs, or similar costs incurred by the Association as a result of any action or thing done or left undone by any tenant whether approved or not. The sale of any time share or interval ownership interest in a Lot and Residence is strictly prohibited.

Section 19. Division of Lot and Assessments. Once a Lot is sold by the Developer, it shall not be subdivided, divided or split again in any manner. Two or more contiguous Lots, if in the same ownership, may be combined into one larger Lot for the purpose of applying this Declaration, provided that the record Owner makes such election in writing and a Unity of Title or other appropriate instrument irrevocably combining such Lots is duly recorded in the County Public Records. The recording of a Unity of Title combining any two or more contiguous Lots shall not relieve the Owner from the provisions of this Section. Provisions to the contrary notwithstanding, where a Residence is constructed on two or more Lots, for any fine or assessment purposes, one Lot will be assessed in the normal way, but each additional Lot included within the building site shall be levied at 50% of the otherwise applicable fine or assessment (i.e., each additional Lot in excess of one, included within one building site shall be treated as 1/2 of a Lot for fine or assessment purposes). The lien for fines or assessments as to such multiple Lot building sites shall be deemed to attach to and encumber all Lots within the building site. A Member owning Lots so unified shall be entitled to only 1 vote on account of all such Lots.

Section 20. Flagpole. Only one flagpole shall be permitted on each Lot, provided that it shall not exceed 20 feet in height in keeping with §720.304 of the Florida Statutes.

Section 21. Generators. Permanent house generators may be installed only with written approval in advance by the Architectural Control Committee. Such a generator shall use a whisper-quiet, hospital-quiet or equivalent low noise technology and its maintenance cycle shall run only during the week (Monday through Friday), between 10:00 A.M. and 3:00 P.M. The diesel tank serving such a generator shall be buried or hidden from view behind a wall. Other provisions herein set forth notwithstanding, if the Governor designates Indian River County as a natural disaster area, an Owner may have a trailer generator on his/her Lot for a period of up to 1 year from the date of such designation.

Section 22. Obligation to Complete Construction. Each Owner covenants that, once commenced, construction shall be diligently pursued to completion and that a Certificate of Occupancy shall be obtained within 24 months after the building permit is issued. Each Owner further agrees that, if construction is not completed within 1 year after the building permit is issued, to sod the Lot and to install and operate thereafter an automatic sprinkler/irrigation system to water and maintain the Lot.

Section 23. Business Use. No trade or business, garage sale, moving sale, rummage sale, or similar activity may be conducted on or from any Lot, except that an Owner or occupant residing in a Lot may conduct business activities within the Lot so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Lot; (b) the business activity conforms to all governmental requirements; (c) the business activity does not involve persons coming onto the residential properties who do not reside in the Properties or door-to-door solicitation of residents of the Properties; (d) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked in the Property which is noticeably greater than that which is typical of Lots in which no business activity is being conducted; and and (e) the business activity is consistent with the residential character of the Community and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

Business and trade, as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full time or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. The foregoing notwithstanding, the leasing of a Lot shall not be considered a trade or business within the meaning of this Section. This Section shall not apply to any activity conducted by the Founder with respect to its development and sale, resale, or rental of the Properties or its use of any Lots which it owns within the Properties.

Section 24. Sidewalks. Every Lot Owner within the Property is required to construct, at their sole expense, a sidewalk five (5) feet in width in the right-of-way of the street contiguous with their Lot, in the location and to the construction standards required by the City of Sebastian, along the entire length of the Lot, before a Certificate of Occupancy is issued for the Residence on the Lot.

Section 25. Additional Rules and Regulations. Attached as Exhibit "D" 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 of

Directors of the Association without the necessity of recording an amendment hereto or thereto in the public records. The Association may promulgate rules and regulations governing the Property, may adopt Assessment schedules and rates for the Property or for each Lot therein, and will set up a separate budget for the Property.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Acknowledgment. Each Owner of a Lot on the Property, by virtue of his acceptance of the warranty deed to said Owner's Lot, acknowledges the necessity of maintaining the physical appearance and image of the Property as a quality residential community and, additionally, that the success of the Developer in developing and selling the remaining portions of the Property is closely related to the physical appearance and image of the completed portions of the development.

Section 2. Set Standards; Committee Membership. Accordingly, there is established a committee known as the "Architectural Control Committee" (ACC). The Architectural Control Committee shall be composed of three (3) members who shall be members of the Association. Architectural Control Committee members shall be appointed for terms of one (1) year each and shall be appointed by the Developer for as long as the Developer owns any Lots within the Property. The Developer will appoint one (1) representative from Campanelli to serve on the Architectural Control Committee as long as the Developer is entitled to appoint all of the members of the Architectural Control Committee or until Campanelli has sold all of its Lots within the Property, whichever shall occur first. After such time as the Developer is no longer entitled to appoint all members to the Architectural Control Committee, the committee shall be appointed by the Association Board of Directors. The Board of Directors is encouraged, but shall not be required, to appoint a committee membership which includes individuals with a background in building and landscape architecture, contracting, and subcontracting. The Architectural Control Committee is empowered to adopt and promulgate from time to time minimum standards for maintenance of the physical appearance of the exterior Common Areas and structures on Lots, all of which are herein after referred to as "areas to be maintained." The standards established by the Architectural Control Committee shall relate particularly to the exterior painting and appearance of the improvements, landscaping, paving, trash and litter removal, and repair of exterior building surfaces. The minimum standards however, shall not be applicable to the interior of any structure on a Lot.

Section 3. Right of Inspection. The Architectural Control Committee shall have the right to inspect, from time to time, the areas to be maintained in order to determine whether the maintenance of same meets the minimum standards.

Section 4. Deficiencies Report. If the Architectural Control Committee shall find that the areas to be maintained are not being maintained in accordance with the minimum standards, it shall issue a report to the Association Board of Directors particularizing the deficiencies. Unless the Board of Directors rejects the report, within ninety (90) days of receipt of the report, the Association shall commence the maintenance or painting work specified in the report and shall diligently pursue completion of same in an expeditious manner.

Section 5. Architectural Control. The Architectural Control Committee shall have authority to review and approve plans and specifications for the location, size, type and appearance of any structure or other improvements on a Lot, and to enforce standards for the external appearance of such structures or improvements. No building, dock, wall, fence or other structure or improvement

of any nature (including landscaping or exterior paint or finish) shall be erected, placed or altered on the Common Areas, or any Lot, until the construction plans and specifications and a plan showing the location of the Residence/structure and landscaping or of the materials as may be required by the Architectural Control Committee have been approved in writing by the Architectural Control Committee named below and all necessary governmental permits are obtained. Each Residence, building, wall, fence or other structure or improvement of any nature, together with the 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 of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which in the reasonable discretion of said Architectural Control Committee is sufficient. Any change in the exterior appearance of any Residence, building, wall, fence or other structure or improvements, including but not limited to the color of paint used, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval. The Architectural Control Committee 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 address of said Board shall be the address of the Association's registered agent. The Architectural Control Committee shall act on submissions to it, or request further information thereon, within thirty (30) days after receipt of the same (and all further documentation required) or else the request shall be deemed approved.

Approval

Section 6. Building Contractors. All building contractors shall be quality custom builders, licensed by the State of Florida to build in Indian River County. The contractor shall be one from a list currently qualified by the Association or its designee, which may be the Architectural Control Committee, and who shall have met specific requirements as established by the Association or its designee. All Lot Owners, however, have the sole responsibility for the financial reliability and trust-worthiness of the contractor finally selected and the Association's qualification of the contractor shall impose no liability or obligation on the Association or its designee. The above notwithstanding, an individual Owner of a Lot shall be entitled to construct any structure on their Lot without having to hire a building contractor licensed by the State of Florida, provided the Owner obtains an "owner builder" permit for the construction of the Residence/structure from the City of Sebastian or other governmental body having jurisdiction over the construction and assumes full responsibility for the construction of the Residence/structure and further provided that all subcontractors of the Owner are licensed in their trade to work within the City of Sebastian or other governmental body having jurisdiction over the construction of the Residence/structure.

Section 7. Building Design and Specifications. Reference is made to the attached Exhibit "E", which sets forth the approved Architectural Standards and Requirements governing the Community.

Section 8. Exterior Appearances and Landscaping. The paint, coating, stain and other exterior finishing colors on all Residences on all Lots may be maintained as that originally installed, without prior approval by the Architectural Control Committee, but prior approval by the Architectural Control Committee shall be necessary before any such exterior finishing color is changed.

Section 9. Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls except as part of a central air-conditioning/heat unit. 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 Committee for energy conservation purposes.

Section 10. Utilities Underground. All utility service within the Property shall be underground. There shall be no electric power/telephone poles allowed within the Property, except as maybe authorized by the Developer, in the Developer's sole discretion.

ARTICLE VIII

ENFORCEMENT

Section 1. Compliance by Owners. 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 or 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 use of Common Areas (except for legal access, including the right to park) of defaulting Owners. The offending Lot Owner shall be responsible for all costs of enforcement, including attorneys' fees actually incurred and court costs.

Section 3. Fines and Suspension of Use of Common Areas. In addition to all other remedies, suspension of use of the Common Areas and/or 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, subject to the provisions of Article IV, Section 1(b):

(a) Notice: The Association shall notify the Owner of the alleged violation(s). Included in the notice shall be the date, time and place of a hearing before a committee of at least three (3) members appointed by the Board of Directors, who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. The Owner has the right to present reasons why penalties should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

(b) Hearing: The alleged non-compliance shall be presented to the committee for a hearing during which the committee shall hear reasons why penalties should not be imposed. A written decision of the committee shall be submitted to the Owner by not later than twenty-one (21) days after the committee's meeting. The Owner shall have a right to be represented by counsel and to cross examine witnesses.

(c) Penalties: The committee (if by a majority vote, its findings are made against the Owner) may suspend use of the Common Areas and/or may impose a fine by special assessment against the Lot owned by the Owner in an amount not to exceed One Hundred Dollars (\$100.00) per violation.

(d) Penalties for Continuing Violations: For a continuing violation, upon a single notice and opportunity for hearing, the fine shall accrue daily from the date for correction until correction is actually made, as determined by the Committee, and the cumulative amount of the fine shall not exceed One Thousand Dollars (\$1,000). A *Continuing Violation* means a recurring violation where the Committee found the same violation to have existed within two (2) years prior to the initial