DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

OF LAKE IN THE WOODS

LAKE IN THE WOODS, INC., a Florida corporation, herein- after called Declarant, is the owner in fee simple of certain real property located in Hernando County, Florida, known as LAKE IN THE WOODS, PHASES I through VI, inclusive, pursuant to plats thereof recorded in the Public Records of Hernando County, Florida, and for the purpose of enhancing and protecting the value, attractiveness and desirability of the lots and common area constituting such subdivision, Declarant hereby declares that all of the real property described above and each part thereof shall be held, sold and conveyed subject to the following easements, covenants, conditions and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title or interest in the above described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to LAKE IN THE WOODS OWNERS ASSOCIATION, INC., a Florida nonprofit corporation, its successors and assigns.

Section 2. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is all property and areas shown on said plat other than the subdivided lots, specifically including all streets and street medians not dedicated to the public, lakes, parks, greenbelt areas, and recreational areas and facilities.

Section 3. "Declarant" shall mean LAKE IN THE WOODS, INC., a Florida corporation, its successors and assigns. Declarant shall at all times have the right to assign any right, title and interest in said land or under this Declaration to any successor, nominee or assignee.

Section 4. "Lot" shall mean any plot of land shown on the recorded subdivision map referred to above other than the common area, or any combination of said lots in one ownership as permitted by this Declaration.

Section 5. "Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any lot in the subdivision and a buyer of any lot under agreement for deed, but shall not include those holding title merely as security for performance of an obligation.

Section 6. "Subdivision" shall mean the subdivided real property hereinbefore described and such additions thereto as may be brought within the jurisdiction of the Association as hereinafter provided.

ARTICLE II
MEMBERSHIP IN ASSOCIATION; VOTING RIGHTS

Section 1. Every owner of a lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a lot.

Section 2. The Association shall have two classes of voting members as follows:

Class A. Class A members shall be all owners with the exception of Declarant, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in a given lot, all such persons shall

be members and the vote for such lot shall be exercised as they may determine among themselves. In no event shall more than one vote be cast with respect to any lot owned by Class A members.

Class B. The Class B member shall be Declarant, which shall be entitled to exercise three votes for each lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, or on December 31, 1987, whichever first occurs.

ARTICLE III
ASSESSMENTS

Section 1. Lien and personal obligation of assessments. Declarant hereby covenants for each lot within the subdivision, and each owner of a lot is hereby deemed to covenant by acceptance of his deed or agreement for deed for such lot, whether or not it shall be so expressed therein, to pay to the Association (1) annual assessments, and (2) special assessments for capital improvements. Such assessments will be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and a continuing lien on each lot against which such an assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person or persons who owned the lot at the time the assessment fell due, but such personal obligation shall not pass to the successors in title of such person or persons unless expressly assumed by them.

Section 2. Purpose of annual assessments. The annual assessments levied by the Association shall be used exclusively to promote the health, safety, welfare, and recreation of the residents in the subdivision, and for the improvement and maintenance of the Common Area, the main entrance to the subdivision and the lots and homes situated within the subdivision. Annual assessments shall cover, but not be limited to, and the Association shall pay for out of the funds derived from annual assessments, the cost and expense of the following:

(a) Maintenance and repair of the streets and roads shown on said plat which are owned by the Association and maintenance and repair of the fences and walls on the perimeter of the subdivision.

(b) Electrical, gas, water and other necessary utility service for the lighting and maintenance of the streets, Common Area and the main entrance of the subdivision.

(c) Acquisition and maintenance of signs and equipment for the Common Area as may be determined by the Association.

(d) Landscaping, maintenance and repair of all entranceways, parks, boulevard medians and recreational areas. It shall be the obligation of the Association to landscape and maintain the main entrance to the subdivision in a neat and attractive condition and to maintain the subdivision sign at said location and to keep said area adequately lighted, even though said area is dedicated to the public.

(e) Maintenance of reserves and sinking funds to repair and maintain streets and roads within the subdivision and the Common Area, if the Association chooses to establish same.

(f) Reasonable salaries, wages and fees of employees and professional persons employed by the Board of Directors in order to carry out its duties and responsibilities hereunder.

(g) Liability insurance insuring the Association against any and all liability to the public, to any owner, or to the invitees or tenants of any owner arising out of their occupation and/or use of the Common Area. The policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased in the discretion of the Association.

(h) Workmen's compensation insurance to the extent required by Florida Statutes and such casualty and other insurance as is deemed necessary by the Board of Directors of the Association.

(i) A standard fidelity bond covering all members of the Board of Directors of the Association and all other employees of the Association in an amount to be determined by the Board of Directors.

(j) Maintenance of the lakes in the subdivision as required to keep the waters thereof natural, clean, sanitary and unpolluted.

(k) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments which the Association is required to secure or pay pursuant to the terms of this Declaration or by law, or which shall be necessary or proper in the opinion of the Board of Directors of the Association for the operation of the Common Areas, for the benefit of lot owners, or for the enforcement of these restrictions.

Section 3. Maximum annual assessment.

(a) Until January I of the year immediately following the conveyance of the first lot by Declarant to an owner, no assessments will be levied against any owner and Declarant will pay and be responsible for such sums as shall be needed from time to time to meet the Association's financial obligations. After the date of the commencement of assessments, Declarant shall pay assessments like other owners, but only on lots which are fully finished and completed and which adjoin streets which are fully constructed and in service. Declarant, in its sole discretion, may delay the time for commencement of assessments for one additional six-month period. Assessments shall be imposed on a calendar year basis, that is, January 1 to December 31, and shall be paid in advance. An owner acquiring a lot from Declarant shall be liable for an assessment for the portion of the year remaining after acquisition, commencing on the first day of the month following the passing of three full months after closing. Such assessment shall be collected by Declarant at closing and paid to the Association.

(b) From and after a period of one year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased each year not more than fifteen percent (15%) above the maximum assessment for the previous year without a vote of the membership.

(c) From and after a period of one year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased above fifteen percent (l~) by the vote or written assent of a majority of each class of members.

(d) The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special assessments for capital improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement on the Common Area, including fixtures and personal property

related thereto. Any such assessment must be approved by a majority of all members. Sinking or reserve funds for such capital improvements will be used and established only if approved by the membership of the Association in accordance with its By-Laws.

Section 5. Notice and quorum for action authorized under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized by Section 3 or 4 shall be sent to all members not less than 15 nor more than 30 days in advance of such meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform rate of assessment. Both annual and special assessments must be fixed at a uniform rate for all lots.

Section 7. Notice and collection of annual assessments. The Association shall cause written notice of the amount of the annual assessment to be given to each owner at least thirty (30) days prior to the date the same becomes due. The Association shall, on demand and for a reasonable charge, furnish a certificate singed by an officer of the Association, setting forth whether the assessments against a specific lot have been paid, and shall cause to be recorded in the Public Records of Hernando County certificates of delinquent assessments.

Section 8. Effect of nonpayment of assessments; remedies of the Association. Any assessment not paid within 30 days after the due date shall be deemed in default and shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his lot.

Section 9. Subordination of assessment lien to mortgages. The assessment lien provided for herein shall be subordinate to the lien of any first mortgage. A sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the assessment lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE IV
PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner of a lot shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to such lot, subject to the following rights of the Association:

(a) The right to suspend the right of use of recreational facilities and the voting rights of any owner for periods during which assessments against his lot remain unpaid, and the right, after hearing by the Board of Directors, to suspend such rights for a period not exceeding 60 days for any infraction of the published rules and regulations of the Association.

(b) The right to dedicate or transfer all or any part of the streets and Common Area to any municipality, public agency, authority, or utility for purposes and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be effective unless an instrument executed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been duly recorded in the public records of Hernando County.

Section 2. Delegation of Use. Subject to such limitations as may be imposed by the Bylaws, each owner may delegate his right of enjoyment in and to the Common Areas and facilities to the members of his family, his guests, tenants, and invitees.

Section 3. Other Easements.

(a) Easements for installation and maintenance of utilities and drainage facilities are shown on the recorded subdivision plat. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each lot and all improvements therein shall be continuously maintained by the owner of such lot, except for improvements the maintenance of which a public authority or utility company is responsible.

(b) No dwelling unit or other structure of any kind shall be built, erected, or maintained on any such easement, reservation, or right of way, and such easements, reservations, and rights of way shall at all times be open and accessible to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to Declarant, its successors and assigns, who shall have the right and privilege of doing whatever may be necessary, in, on, under, and above such locations to carry out any of the purposes for which such easements, reservations, and rights of way are reserved.

Section 4. Right of Entry. The Association, through its duly authorized employees and contractors, shall have the right after reasonable notice to the owner thereof, to enter any lot at any reasonable hour on any day to perform such maintenance as may be authorized herein.

Section 5. No Partition. There shall be no judicial partition of the Common Area, nor shall Declarant, or any owner or any other person acquiring any interest in the subdivision or any part thereof, seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any lot owned in cotenancy.

ARTICLE V
DIVISION AND COMBINATION OF LOTS

Section 1. Lots may not be divided in any manner. It shall not be permissible to acquire, own, improve or reside on less than one full lot, according to said subdivision plat.

Section 2. Two or more whole lots may be combined for one residence site. The maintenance assessments provided for hereunder shall continue to be levied against each of the combined lots.

ARTICLE VI
ANNEXATION OF ADDITIONAL PROPERTY

Additional residential property and Common Area may be annexed to the subdivision in accordance with the following:

(a) Declarant may from time to time, in its sole discretion, without the necessity of consent or joinder of any owners or any other parties whatsoever, cause contiguous additional lands to become subject to the Declaration, but under no circumstances shall Declarant be required to make such additions. Such additions shall be of such size as Declarant determines and the number of such additions shall be in the sole discretion of Declarant.

(b) Additions, if any, shall be developed and platted in such a manner which in the opinion of Declarant provides for the preservation of the values and amenities of the subdivision.

(c) The additions authorized under this Article shall be made by Declarant by executing and filing of record a Supplemental Declaration of Covenants and Restrictions with respect to the additions to the property, extending the scheme of this Declaration to such property and such Supplemental Declaration may contain complementary additions as may be necessary to reflect the different character, if any, of the additions and as are not inconsistent with the scheme of

this Declaration. Said Supplemental Declaration shall not require the joinder, consent or approval of any owner or other party whatsoever. In no event, however, shall such Supplemental Declaration revoke, modify or add to the provisions of this Declaration.

ARTICLE VII
ARCHITECTURAL CONTROL

Section 1. No building, fence, television antenna, septic tank, water sprinkling system, sidewalk, wall, landscaping or other structure or improvement may be commenced, erected, placed or maintained upon any lot nor shall any exterior addition to or change or alteration of any structure or improvement be made until complete written plans and specifications showing the nature, kind, size (including the size and square footage of each separate room or area), shape, color, height, materials and locations of the same shall have been submitted to and approved in writing by an Architectural Committee composed of three or more representatives appointed by Declarant. In the event said committee fails to approve or disapprove such design, plan and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The committee shall have the authority to compile and publish written rules, standards and guidelines consistent with this Declaration, respecting the design and construction of dwellings and other improvements on lots and the landscaping thereof.

Section 2. Refusal of approval of plans and specifications by Declarant may be based on any ground including purely aesthetic grounds in the sole and uncontrolled discretion of the committee and the committee may refuse approval on the ground that the proposed structure is identical or nearly identical to one already existing in the subdivision.

Section 3. When Declarant (or a successor to whom Declarant has assigned its rights hereunder) has sold and conveyed all of its lots in the subdivision (or at such earlier time as it shall specify in a written notice given to the Board of Directors, and in all events on December 31, 1987) the then members of the committee shall be discharged and the Board of Directors of the Association shall then appoint successor members of the committee and thereafter have the authority from time to time to replace, remove and appoint the members of the committee. The Board shall have the authority, if it chooses, to increase the number of members of the committee.

ARTICLE VIII

OWNERS' OBLIGATION TO BUILD

Section 1. Declarant hereby makes it known that it desires to sell and market said lots in said subdivision only to parties who are prepared to build homes on their respective lots within three years of purchase, in order that the residential community contemplated by Declarant and this Declaration be quickly established and developed, thereby enhancing property values of the lots and the community life of the residents and reducing the eyesore and blight resulting from unkept and undeveloped lots in absentee ownership. Declarant, therefore, imposes a $1,000.00 a year penalty, commencing three years from the delivery of a deed or agreement for deed by Declarant and continuing on each anniversary date thereafter, against any owner who has failed to commence actual, bona fide construction of a residence on his lot. Commencement of construction shall mean the actual pouring of slab. Once commenced, the construction of a residence must be completed within one (1) year, and Declarant imposes an additional penalty of $1,000.00 per year, commencing one year from the start of construction and continuing on each anniversary date thereafter until construction is complete, against any owner who has failed to complete construction by such times. Construction shall be deemed completed when Hernando County issues a certificate of occupancy for such residence. Said penalties shall be paid to the Association and be added to its operating funds.

Section 2. Each owner of a lot by acceptance of his deed or agreement for deed from Declarant acknowledges that the foregoing provisions are acceptable to him and agrees that such penalties will be promptly paid by him to the Association when and as they become due pursuant to the provisions hereof.

Section 3. Such penalties, together with interest, costs and reasonable attorney's fees, shall be a charge and continuing lien upon the defaulting owner's lot as in the case of maintenance assessments, and shall be fully due and payable within thirty (30) days after the end of the period for which the penalty is imposed and the payment of same may be enforced by the Association as is provided herein for the enforcement of maintenance assessments.

Section 4. If the owner of a lot does not commence construction of a dwelling upon his lot within three (3) years of the date of original purchase from Declarant, Declarant shall have the right to repurchase the lot at the price originally paid to Declarant for said lot, plus interest at the rate of 6% per annum from date of purchase.

Section 5. Anything above to the contrary notwithstanding the provisions of this Article do not apply to the delivery by Declarant of deeds to the following described lots:

Lot 13, 14, 15, 16, 17, 18, 19, 20 and 21, Block 4; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and Ll, Block 8; Lots 1, 9, 10, 11, 12, and 13, Block 9; Lots 2, -3, 4 and 5, Block 10, but the provisions of this Article do apply to the resale of said lots by the Grantees who purchase said lots from Declarant, the period within which actual construction must commence to run from the delivery of deeds or agreements for deeds by Declarant's Grantees to third parties.

ARTICLE IX
USE RESTRICTIONS

Section 1. Lots in the subdivision shall be used as residences for single families and for no other purpose. No business of any kind shall be conducted in any residence or on any lot except the business of Declarant and its transferees in developing the lots in the subdivision as a residential community.

Section 2. Each residence shall have a minimum living area of 2200 square feet. Living area is defined as the area of the main residence, exclusive of screen porches, garages and storage areas, which is heated and air conditioned. Only one residence may be built on a lot. Each residence must have an attached two-car garage; carports are not permitted. No outbuildings, storage sheds or clotheslines shall be permitted.

Section 3. No residence shall exceed two and one-half stories in height.

Section 4. No noxious or offensive activity shall be carried on or allowed to exist on any lot.

Section 5. No sign of any kind shall be displayed to public view on a lot without the prior written consent of the Association, except customary name and address signs and signs of not more than five square feet in size advertising a property for sale.

Section 6. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats and other household pets may be kept provided they are not kept or maintained for any commercial purpose and provided that they do not in any way constitute a nuisance to other owners in the subdivision.

Section 7. No rubbish, garbage, trash or other waste material shall be kept or permitted on any lot except in sanitary containers located in appropriate places and sealed from public view. No tent, shack, shed, trailer or temporary structure of any kind shall be permitted upon any lot or upon the Common Area either temporarily or permanently.

Section 8. Buildings and structures constructed on lots in the subdivision shall observe the following set-back requirements:

(a) Forty (40) feet from the front line;

(b) Fifteen (15) feet from the side lot line;

(c) Twenty-five (25) feet from the rear line. However, swimming pools, cabanas, tennis courts and screen enclosures may be erected up to a distance of 15 feet from the rear line.

(d) As to corner lots bordered by a street in front and a street on one side, there shall be a minimum set-back of twenty-five (25) feet from the line abutting the side street.

Section 9. Each owner must, when he builds on his lot, sod his yard with a suitable lawn grass from the front lot line to the rear line of the residence, as well as the area between his front lot line and the street, and thereafter keep and maintain such lawn in good condition and appearance, and each owner shall install and maintain an automatic water sprinkler system approved by the Architectural Committee throughout the lawn area, as well as an outside light next to his driveway of a type and at a specific location designated by the Committee.

Section 10. No "manufactured" or prefabricated home shall be placed on any lot, it being the intent of this restriction that any and all buildings or structures be actually built and erected on the lots on which they are situated. All exterior concrete block construction must be stucco-coated.

Section 11. No individual well will be permitted on any lot within the subdivision except one installed for the purpose of furnishing water for yard irrigation and/or swimming pools upon the approval of the Architectural Committee.

Section 12. No tree having a diameter in excess of three inches growing on a lot shall be removed without the approval of the Architectural Committee. At the time building and landscaping plans are submitted to the Architectural Committee for approval, the owner shall prominently mark or flag for the convenience of the Committee the trees he proposes to keep and preserve. Any owner who shall remove a tree or trees having a diameter in excess of three inches without the approval of the Architectural Committee shall be fined $200.00 per tree so removed by Declarant and/or the Architectural Committee, which fines shall be paid to the Association and be added to its operating funds. Such fines shall be imposed in writing and shall be due within 30 days after the imposition of same and the payment of same may be enforced by the Association as is provided herein for the enforcement of maintenance assessments.

Section 13. No lot shall be used as a dumping ground for garbage, refuse or rubbish and no material of any type shall be stored on any lot except in connection with the actual construction of a residence thereon. Garage doors must be kept closed except when in actual use. No boats, recreational vans, commercial vehicles or trucks larger than a 3/4 ton pickup shall be kept or stored in the subdivision except in closed garages.

Section 14. All oil tanks, bottle gas tanks, soft water tanks, and similar equipment shall be placed under the surface of the ground or in walled-in areas so as not to be visible from the street or an adjacent residence.

Section 15. No above-ground swimming pools shall be installed in the subdivision without the consent of the Architectural Committee.

Section 16. Prior to the completion and occupancy of any residence in the subdivision, the owner thereof shall install, at his cost, a sidewalk in front of his home, the width, specifications and location of such sidewalk to be according to the instructions and specifications of Declarant. Declarant shall have the right to require the use or employment of a contractor approved by Declarant to install such walk.

The purpose of this restriction is to permit Declarant to have absolute control over the installation of such sidewalks so that the same are constructed with uniformity of design, material, depth and width and according to a master plan.

Section 17. All septic tanks on lakefront lots and the septic tank on Lot 18, Block 1 of said subdivision shall be installed in the front yard.

Section 18. No flat roofs will be permitted on residences in the subdivision except over porches, Florida rooms and rear patios.

Section 19. If cable TV is available, the Architectural Committee shall have the right and authority to prohibit the installation of television antennas.

Section 20. Each owner shall, at his cost and expense, keep the exterior of his premises in good condition and repair and in a condition comparable to that of such residence at the time of its initial construction, excepting only wear and tear, and each owner shall keep the grounds and lawn of his property neat and clean and free of weeds and brush and keep the trees and shrubs on his lot free of dead limbs and growth.

Section 21. If all or any portion of a residence is damaged or destroyed by a fire or other casualty, it shall be the duty of the owner thereof with all due diligence to rebuild, repair or reconstruct such residence in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty.

Reconstruction shall be undertaken within three (3) months after the damage occurs, unless prevented by causes beyond the control of the owner, and completed within six (6) months after damage occurs.

Section 22. No pier, dock, boathouse, bulkhead or other structure of any kind shall be erected, placed or permitted to remain on, in, adjacent to, bordering on, or over any portion of any lake in the subdivision.

Section 23. Each owner whose lot adjoins or abuts a lake shall keep his lot and the portion of the adjoining or abutting parcel between his lot and the water's edge at the lake bank grassed, trimmed and cut and the property maintained so as to present a pleasing appearance and maintain the proper contour of the lake bank and prevent erosion. The shoreline contour of the lake may not be changed and no lot may be increased in size by filling in a lake and no lot may be dug out or dredged so as to cause the water of the lake to protrude into a lot.

Section 24. No boats, rafts, or floating objects of any kind, other than small rowboats, small sailboats and canoes, none of which shall be motor driven, shall be placed in or operated on any of the lakes in the subdivision.

Section 25. Except with the prior written consent of Declarant so long as Class B membership exists and thereafter only with the consent of the Association, no owner or resident shall have the right to pump or otherwise remove or take any water from any lake in the subdivision for whatever purpose and no owner, his family, guests or invitees shall place trash, rubbish, garbage or any foreign object into such lakes.

Section 26. Enforcement. Declarant, the Association, or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Association, or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 27. Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 28. Amendments. Covenants and restrictions of this Declaration may be maneded by duly recording an instrument executed and acknowledged by not less than three-quarters of each class of members. Declarant shall have the right at any time within five years from the date hereof to amend this Declaration to correct scrivener's errors and to clarify any ambiguities determined to exist herein, or to change or add provisions for the purpose of meeting the requirements of governmental agencies, and to add provisions or modify existing provisions if they serve to enhance the quality of the subdivision and are consistent with the purposes of this Declaration, so long as such amendments do not materially effect the rights of Unit Owners, Lienors, or Mortgagees. Such amendments need be executed by Declarant only and need not be approved by the Association, Owners, Lienors, or Mortgagors.

Section 29. Subordination. No breach of any of the conditions herein contained or reentry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for value as to the subdivision or any lot therein; provided, however, that such conditions shall be binding on any owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

Section 30. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or any member thereof for a period of 20 years from the date hereof. Thereafter, they shall be automatically extended for additional periods of 20

years unless otherwise agreed to in writing by the then owners of at least three- quarters of the subdivision lots.

Section 31. Lease Restrictions.

(a) A property may not be rented or leased during the first two (2) years (24 months) of ownership;

(b) At no time shall more than fifteen percent (15%) of the properties be rented or leased. Any lease in force at the date of the recording shall continue in force until the expiration of its term. New leases will have to be registered with the time and date of presentation and the Board shall make a determination of when the 15% limit has been reached, reviewing applications on a first come, first serve basis, as reflected by the registration information on the Lease. Requests for rental which are received after the 15% limit has been reached will be placed on a waiting list as they are received, and will be considered for approval if and when the number of rentals falls below the 15% limit in order of their receipt by the Association;

(c) All leases or rentals must be for a minimum of one (1) year (12 months);

(d) Prior to any contract being executed for rental or lease, the owner shall provide a copy of the rental or lease contract to the Board of Directors, with expiration date clearly noted, so that the information may be kept on record by the Board of Directors; and

(e) Within two (2) months of expiration of the lease or rental, the owner must notify the Board of Directors whether he/she intends to continue leasing or renting the property. The owner must submit a new contract for rental or lease to the Board prior to expiration of the lease. If a new contract is not submitted prior to expiration of the lease, the owner will forfeit his/her right to rent or lease the property, unless the number of property rentals is below the 15% limit. If the number of property rentals is below the 15% limit, the procedures described in (b) above will be followed.

(f) A property which is rented or leased shall be defined as a property that is occupied by other than the record owner, his/her spouse, and their immediate family, if any. A property which is occupied by the record owner's immediate family in the absence of the owner(s) shall not be defined as a property which is rented or leased.

(g) The effective date of this amendment will be the date of its recordation in the Public Records of Hernando County, and shall apply to all rentals or leases entered into after the effective date.

ARTICLE X
SPECIAL POWERS OF ASSOCIATION

The Association shall have the power and authority:

(a) To adopt reasonable rules and regulations consistent with this Declaration and the Articles of Incorporation and By-Laws of the Association, governing and regulating the use of the Common Area and to penalize violators of such rules and regulations as permitted by said documents.

(b) In the event the owner of a lot shall fail to maintain the exterior of his residence or his yard and lawn as required herein, to enter upon the lot of such owner and do such work and take such action as is required to bring such property into compliance with the provisions hereof and to make a charge against such owner for the reasonable costs of such work. Such charge, together with costs, interest and reasonable

attorneys' fees, shall be a continuing lien against such lot and may be collected and enforced by the Association as in the case of a maintenance assessment. Such charge shall be due and payable thirty (30) days after such owner is given written notice thereof.

STATE OF FLORIDA
COUNTY OF HERNANDO The foregoing instrument was acknowledged before me this 18th day of June 1982 , by William Stout, President of Lake in the Woods, Inc., a Florida Corporation, on behalf of the corporation.

Shirley M. Auvil
Notary Public

My Commission Expires: 10/12/84 ..