

This instrument prepared by and)
 should be returned to:)
)
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 Suite 105)
 Maitland, Florida 32751)
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)
Cross Reference Official Records Book)
1417, Page 710 and Official Records)
Book 1422, Page 2124, all of the Public)
Records of County, Florida)
)

SECOND
AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS
AND RESTRICTIONS FOR
THE GROVE AT HARBOR HILLS

KNOW ALL MEN BY THESE PRESENTS: The Grove at Harbor Hills Homeowners Association, Inc. does hereby declare that the Property described on the attached Exhibit "A" ("the Property") is subject to the following Covenants, Conditions, Easements and Restrictions which are imposed against the Property and are hereby declared to run with the Property and to be binding upon the Property and upon all Owners, their heirs, personal representatives, successors and assigns having any right, title or interest in the Property or any part thereof. The provisions hereof shall inure to the benefit of and be binding upon each Owner of any part of the Property. This Second Amended and Restated Declaration shall completely replace and supercede the Amended and Restated Declaration of Covenants, Conditions, Easements and Restrictions for The Grove at Harbor Hills recorded in Official Records Book 1422 Page 2124, of the Public Records of Lake County, Florida which replaced the original Declaration of Covenants, Conditions, Easements and Restrictions ("original Declaration") recorded in Official Records Book 1417, Page 710 of the Public Records of Lake County, Florida.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration or any supplemental or amended Declaration hereto shall have the following meaning unless the context clearly indicates otherwise:

A. "Architectural Review Committee" and "ARC" shall mean and refer to the Committee appointed by the Board to review plans and specifications for Lot improvements.

B. "Articles" shall mean and refer to the Articles of Incorporation of the Association, a copy of which is attached hereto and marked as Composite Exhibit "B", as it may be amended

from time to time.

C. "Assessments" shall mean and refer to the Annual, Special and Individual assessments which may be imposed and collected by the Association.

D. "Association" shall mean and refer to The Grove at Harbor Hills Homeowners Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

E. "Board" or "Board of Directors" shall mean the board of directors of the Association, elected pursuant to the Articles and By-Laws. Members of the Board shall be referred to as "Directors".

F. "By-Laws" shall mean and refer to the By-Laws of the Association, a copy of which is attached hereto and marked Exhibit "C", as it may be amended from time to time.

G. "Common Area" shall mean all real property (including improvements thereto), if any, owned by the Association for the common use and enjoyment of the Owners under this Declaration.

H. "Declarant" or "Developer" shall mean and refer to Harbor Hills Development, L.P. d/b/a Harbor Hills Development, Ltd., its successors and assigns.

I. "Declaration" shall mean and refer to this Second Amended and Restated Declaration of Covenants, Conditions, Easements and Restrictions for The Grove at Harbor Hills, as it may, from time to time, be amended.

J. "Design Review Criteria" and "DRC" shall mean and refer to the manual entitled "Design Review Criteria" promulgated by the Board of Directors, as amended from time to time, containing the development standards for the Property.

K. "The Grove at Harbor Hills" shall mean and refer to the Property that is platted as THE GROVE AT HARBOR HILLS and as depicted on the plat recorded at Plat Book 37, Page 40 in the Public Records of Lake County, Florida.

L. "Institutional Mortgagee" shall mean a state or federal bank, savings and loan association or service company, a mortgage corporation, insurance company, real estate investment trust, union pension fund or an agency of the United States Government, F.N.M.A., FHA/VA or any other lender generally recognized as an institutional-type lender, or Declarant and any related entity or person to Declarant, holding a mortgage on a Lot.

M. "Lot" shall mean a platted, residential Lot shown upon a Plat of the Property recorded in the Public Records of Lake County, Florida.

N. "Member" shall mean and refer to every Owner of a Lot in the Grove at Harbor Hills. Membership shall be appurtenant to and may not be separated from ownership of any Lot in The Grove at Harbor Hills.

O. "Owner" shall mean and refer to the record Owner of fee simple title to a Lot whether it is one or more persons, a Trust, firms, associations, corporations, or other legal entities of fee simple title to a Lot. The term "Owner" shall not mean or refer to any lessee or mortgagee of

Lot.

P. "Plat" shall mean and refer to the plat recorded in Plat Book 37, Page 40 of the Public Records of Lake County, Florida, and amendments thereto and replats thereof.

Q. "Property" shall mean and refer to all of the real property described on the attached Exhibit "A" and denoted "The Grove at Harbor Hills Property" which has been developed as a residential subdivision known as The Grove at Harbor Hills, and such additions thereto, as may thereafter be brought within the jurisdiction of the Association.

R. "Rules and Regulations" shall mean the rules, regulations, and policies which may be adopted by the Board from time to time by resolution duly made and carried.

S. "Surface Water or 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 Chapters 40C-4, 40C-40, or 40C-42, Florida Administrative Code.

ARTICLE II **PROPERTY RIGHTS**

2.1. Lots. Each Lot within the Property shall be subject to fee simple ownership. It is the intent of the Association that each Lot will be improved with one single family conventional site-built dwelling which shall comply with the requirements of the DRC. Modular homes and mobile home are specifically prohibited. Each dwelling shall include a garage adequate to house, at a minimum, two passenger vehicles. No carports are permitted. Only one dwelling may be placed on any one Lot.

2.1.1 Maintenance of the Lot and the improvements to the Lot shall be the responsibility of the Lot Owner. Lot Owners must keep all lawns, shrubs bushes and trees maintained. Owners of each undeveloped Lot shall be responsible for mowing that Lot. Further, all Owners shall maintain any improvements on their Lots, specifically including, but not limited to, their dwellings, pools, fences, etc.

2.1.2 In the event of damage or destruction of any exterior wall, roof, eave, or other exterior surface, the Owner shall, at the Owner's expense, within thirty (30) days after the damage or destruction, repair the damage or cause it to be repaired. Such repairs shall be completed within seventy-five (75) days after the damage or destruction. Provided, however, that if the damage is so extensive that repair is impractical, then the Owner shall clear the Lot of debris in a timely manner not to exceed seventy-five (75) days. Further provided, however, that the Association shall have the absolute right, in its sole discretion, to grant extensions to the time periods set forth herein if it deems it so necessary and such extensions shall not be unreasonably withheld.

2.1.3 Title to each Lot is conveyed together with, and Developer hereby grants to each Owner of a Lot and to their guests, lessees and invitees as an appurtenance to the ownership of fee simple title interest to said Lot and subject to this Declaration, the Articles, By-Laws and the Rules and Regulations, a perpetual non-exclusive easement for ingress and egress over,

across and through the Common Area and/or the roadways as shown on the Plat ("Roadways") and a perpetual non-exclusive easement for the use and enjoyment of the Common Area. Any Owner may delegate, in accordance with the By-Laws, his/her right of enjoyment, and other rights set forth herein, in and to the Common Area and improvements thereon to the Members of his/her family, his/her tenants, or contract purchasers, provided the foregoing actually reside on the Owner's Lot.

2.2 Easements. All property in The Grove at Harbor Hills is subject to the following easements which are created for the benefit of the persons and entities hereinafter described:

2.2.1 Surface Water or Stormwater Management System Easement. The Association shall have a perpetual non-exclusive easement over all areas of the Surface Water or Stormwater Management System for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of any Lot which is a part of the Surface Water or Stormwater Management System, at a reasonable time and in a reasonable manner, to operate, maintain or repair the Surface Water or Stormwater Management System as required by the St. John's River Water Management District Permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water or Stormwater Management System. No person shall alter the drainage flow of the Surface Water or Stormwater Management System, including buffer areas or swales, without the prior written approval of the St. John's River Water Management District. Title to the Lots shall be conveyed together with a non-exclusive and perpetual right of the Lot Owners to utilize the stormwater drainage and water retention system of the Property for the drainage and water runoff from their Lots. The stormwater drainage and water retention system is hereby declared to be Common Area. The drainage easements are depicted on the Plat of the Property.

The Developer has constructed a drainage swale upon each Lot for the purpose of managing and containing the flow of excess surface water, if any, found upon such lot from time to time. Each Lot Owner, including builders, shall be responsible for the maintenance, operation and repair of the swales on the Lot. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. John's River Water Management District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the drainage swale shall be authorized and any damage to any drainage swale, whether caused by natural or human-induced phenomena, shall be repaired and the drainage swale returned to its former condition as soon as possible by the Owner of the Lot upon which the drainage swale is located.

Developer reserves the right to modify or expand the stormwater system and the right to grant easement rights to additional entities and property owners and the right to increase the burden upon the drainage easement to accommodate any alterations and additions to the project design of the Property, if same should be approved by the St. John's River Water Management District.

Developer hereby declares that the drainage easement dedicated herein is dedicated in favor of all Owners, the Developer, and the Association. Title to the Lots shall be conveyed subject to and together with this easement.

2.2.2 Utilities. The Developer reserves to itself, its successors or assigns, and hereby subjects the Property to a perpetual easement for the purpose of maintaining, installing, repairing, altering and operating sewer lines, water lines, water works, sewer works, force mains, lift stations, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal systems, pipes, wires, electric transmission lines, power lines, siphons, valves, gates, pipelines, cable television service, electronic security systems and all machinery and apparatus appurtenant thereto to all of the foregoing as may be necessary or desirable for the installation and maintenance of utilities servicing all Lots and servicing the Common Area. All such easements shall be the size, width and location as Developer, in its sole discretion, deems best, but placed in a location so as to not unreasonably interfere with the use of any improvements which are now, or will be, located upon the Property.

2.2.3 Easement in favor of Developer. Developer hereby reserves an easement across the Property for itself, its agents, employees, successors and assigns, to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the completion, improvement and sale or development of the Property, including without limitation: (a) the installation, operation and maintenance of sales offices, signs, and other marketing materials; and (b) the replatting of the Property to accommodate changes in the development plan; and (c) the right to construct, install and maintain utilities including electrical, gas, sewer, water, cablevision, telecommunication equipment and the like to serve the Property; and (d) a nonexclusive easement for ingress and egress and utilities over, upon and across the entrance road to the Property to permit Developer to utilize same as an access drive to Developer's contiguous property.

2.2.4 Service Easement. Developer hereby grants to delivery and pickup services, school buses, governmental agents, United States mail carriers, representatives of electrical, telephone, cable television and other utilities authorized by the Developer, its successors or assigns to service the Property, and to such other persons as the Developer from time to time may designate, the nonexclusive, perpetual right of ingress and egress over and across the Common Area and Roadways, if not included in the Common Area, for the purposes of performing their authorized services and investigation. This easement is not intended to grant to the Members of the general public the unrestricted right to access the Property.

2.2.5 Easements to County. Developer grants to Lake County the right of ingress and egress over and across the Common Area and Roadways, if not included in the Common Area, as is necessary to provide fire, police, emergency and other County services.

2.2.6 Easement in favor of Golf Course. The Developer hereby reserves an easement in favor of the owner of Harbor Hills Golf and Country Club, its successors and assigns, and all Members, employees, agents, guests and invitees, a non-exclusive easement over, upon and across those portions of the Common Area and Lots which are contiguous to the golf course, for the purpose of allowing golfers to retrieve their golf balls, provided such golfers are allowed to walk upon such Lots and Common Area and are not empowered to drive their golf carts upon such Lots and Common Area in their efforts to retrieve their golf balls.

2.2.7 Easement in favor of the Association. A perpetual non-exclusive easement across each Lot for the purpose of maintaining the Common Area is granted to the **Association**.

2.2.8 Landscape Easement and Easement of Encroachment. The Plat depicts

landscape easements in portions of the Property. The landscape easements are reserved in favor of the Association which has maintenance responsibility for such areas. An Easement is granted to the Association and to the Declarant to permit the encroachment of any structures which may be located on a Lot at the time of conveyance of title to the Lot. This easement of encroachment will permit the continued existence and maintenance of structures erected by the Developer such as neighborhood entry signs and structures, community mailbox centers, signage structures, irrigation equipment, and such other structures which are constructed by Developer for the service or enhancement of The Grove at Harbor Hills and its residents.

2.2.9 Golf Cart Easement. The design of the Property includes golf cart lanes within the paved portions of the Roadways. An easement to provide access from The Grove at Harbor Hills to Harbor Hills Golf and Country Club has been dedicated on the Plat. The use of golf carts within the Roadways and easement area is permitted, subject to Rules and Regulations promulgated by the Board of Directors.

2.3 Common Area. Every Owner shall have a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and which shall pass with the title to every Lot subject to the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless two-thirds of the Members, voting in person or by proxy at a duly called annual or special meeting, approve such dedication or transfer by a vote, at an annual or special meeting.

Any Owner may delegate, in accordance with the By-Laws, his/her right of enjoyment to the Common Area to the Members of his/her family, his/her tenants, or contract purchasers who reside on his/her Lot.

2.3.1 There are no recreational facilities included within the Common Area of the Property.

2.3.2 The Common Area of the Property includes: water retention areas, access restriction device, landscaping, roadways, and other property which is typical to residential subdivisions.

2.3.3 The roadways of the subdivision are private, will not be dedicated to the county and will be maintained and owned by the Association.

2.3.4 Title to the Common Area was conveyed to the Association by the Developer, as recorded in the Public Records of Lake County, Florida.

2.3.5 The right of every Owner to utilize the Common Area is subject to the right of the Board of Directors of the Association to control and regulate the use of any roadways within The Grove at Harbor Hills. Such control and regulation may include, but shall not be limited to, the posting of stop signs, the construction of speed control devices, the posting of signs, the enactment of any other necessary traffic and parking regulations which may be promulgated under the Rules and Regulations of the Association from time-to-time. The Association is authorized to enforce all traffic and parking regulations in the manner determined by the Board to be appropriate. The fact that such restrictions on the use of the Roadways shall be more restrictive than the laws of any state or local government having jurisdiction over The Grove at Harbor Hills shall not make such restrictions unreasonable.

2.3.6 The right of every Owner to utilize the Common Area is further subject to the following:

2.3.6.1. Rules and Regulations. The right of the Association, by and through the Board of Directors, to promulgate and enforce Rules and Regulations respecting the use of the Common Area or any portions thereof.

2.3.6.2. Fees. The right of the Association to charge reasonable fees for the use of the Common Area as set by and through its Board of Directors from time to time.

2.3.6.3. Suspension of Rights. The right of the Association to suspend the right to use the Common Area by any Owner, his/her family members, tenants, guests, licensees, contractors, subcontractors, and agents for any infraction by an Owner, his/her family members, tenants, guests, licensees, contractors, subcontractors, and agents of this Declaration, the Articles, the By-Laws or of the Association's published Rules and Regulations. However, such suspension shall not absolve the Owner from paying any Assessment, or other fees, costs, and expenses and no suspension may occur without first complying with such notice and hearing guidelines as are required by Florida law. Notwithstanding the above, no suspension of Common Area use rights may impair the right of an Owner to have vehicular and pedestrian ingress to and egress from their Lot, including, but not limited to, the right to park so long as such rights are exercised in accordance with all Rules and Regulations.

2.3.6.4. Easements. Except for the transfer or dedication to a public agency, authority or utility, as set forth above, the Board of Directors has the power to grant easements upon, over, across through and under the Common Area without Owner approval.

ARTICLE III **THE ASSOCIATION**

3.1 Membership in the Association. Declarant has formed the Association which is a Homeowner's Association to which every Lot Owner shall be a Member.

Membership in the Association shall be determined by title to a Lot. If title to a Lot is held by more than one person, each record title holder shall be a Member. An Owner of more than one Lot shall be entitled to one membership for each Lot owned. Each membership shall be appurtenant to the Lot upon which title it is based and shall be transferred automatically by conveyance of that Lot. Members shall be entitled to one vote for each Lot owned.

3.2 Responsibilities of the Association.

3.2.1 The Association shall have all the powers of a not-for-profit corporation organized under the laws of the State of Florida, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the By-Laws or this Declaration, and as provided by law. The Association shall have the power to do any and all lawful things which may be authorized, assigned, required or permitted to be done by this Declaration, the Articles, the By-Laws and Florida law, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the duties or powers of the Association for the benefit of the Owners and for the maintenance, administration and improvement of The Grove at Harbor Hills and as otherwise provided herein.

3.2.2 The Association is formed for the purpose of managing and maintaining the easements, for which it is responsible as elsewhere stated herein, and operating, servicing, maintaining, repairing, replacing and improving the Common Area. The Association shall use funds made available through an assessment program hereinafter described for the purpose of managing, maintaining, repairing, replacing and improving the areas under the control and ownership of the Association.

3.2.3 The Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. John's River Water Management District. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted or, if modified, as approved by the St. John's River Water Management District.

ARTICLE IV **ASSESSMENTS**

4.1 The Grove at Harbor Hills. Developer has designed and planned the Plat of the Property to include Lots and Common Areas. The Common Areas are set aside for the benefit of the Lot Owners. The Common Areas will be operated and maintained by the Association. The cost of operating, maintaining, repairing, replacing and improving the Common Areas will be paid by the Lot Owners. The payment will be collected in the form of maintenance **Assessments, which shall be equally divided among all the Lots.**

4.2 Creation of Lien and Personal Obligation. Each Owner of any Lot by acceptance of a Deed or other instrument of conveyance therefore is deemed to covenant and agree to all of the provisions, covenants, conditions, easements and restrictions of this Declaration and to promptly pay all Assessments imposed by the Association. The Assessments, together with interest, late fees, costs of collection and reasonable attorney's fees shall be a charge on and a continuing lien upon the Lot against which the Assessment is made and said lien shall relate back to the filing of the original Declaration. Each such Assessment, together with interest, late fees, costs of collection and reasonable attorney's fees shall also be the personal obligation of each person or entity who was an Owner of the Lot at the time the Assessment first became due and payable and the Owner's heirs, successors, personal representatives and assigns.

4.3 Purpose of the Assessment. The Assessments shall be used to maintain the Common Areas of the Property including the maintenance of the private streets, the access restriction device and the easements, for which the Association is responsible, and shall be used to pay for taxes, governmental assessments, and insurance for the Common Area, costs to obtain labor, services, equipment, materials, management, and the necessary supervision therefore, and for all other expenses incurred by the Association for its performance of the obligations imposed hereunder.

Assessments shall also be used for the maintenance and repair of the Surface Water or Stormwater Management System including, but not limited to, work within retention areas, drainage structures and drainage easements.

A portion of the Assessments may be used to establish reserve accounts for the periodic maintenance, repair and replacement of improvements to portions of the Property which are the

responsibility of the Association. Any funds set aside for reserves must be so reflected on the annual operating budget, must be placed in a separate account and may not be used for payments of day-to-day operating expenses.

4.4 Annual Assessments. The Board of Directors of the Association shall prepare an annual operating budget reflecting the estimated revenues and expenses for that year and reflecting the estimated surplus or deficit as of the end of the current year. The Board of Directors shall provide written notice of the amount of the Assessment and the date of commencement thereof to each Owner not less than thirty (30) days in advance of the initial due date thereof. If Annual Assessments are not determined by the Board of Directors as required, the Assessments shall be presumed to be in the amount of the last prior Assessments, and monthly (or quarterly) installments on the Assessments shall be due upon each installment payment date until changed by amended Assessments.

4.4.1 Rate of Annual Assessment and Payment Schedule. Every Lot shall be assessed at an equal rate. Such equal rate shall be determined by dividing the Assessment by a fraction, the numerator of which is one and the denominator of which is number of Lots in The Grove at Harbor Hills at the time the Assessment is enacted. The Annual Assessment may be paid in monthly or quarterly installments as determined by the Board. A budget showing all Assessments and costs shall be created by the Board and made available to all Members as required by Florida law.

4.4.2 The Annual Assessment may be increased each year not more than 5% above the Annual Assessment for the previous year by the Board without a vote of the membership.

The Annual Assessment may be increased above 5% of the previous year's Annual Assessment by a vote of two-thirds (2/3) of the Members who are voting in person or by proxy, at a meeting duly called for this purpose.

4.5 Special Assessments. Upon the vote of two-thirds (2/3) of the Voting Members of the Association who are voting in person or by proxy, at a meeting called for this purpose or at the Annual Meeting with proper written notice to all Members, the Association may levy a Special Assessment as deemed necessary by the Association. Such Special Assessments shall be repaid in one year or less, in installments as established by the Association. Every Lot shall be assessed at an equal rate. Special Assessments may be collected and enforced in accordance with the provisions hereof with respect to enforcement and collection of any other Assessment.

4.5.1 In the event of a catastrophic event, the Special Assessment and any costs accrued to it may be repaid over a period longer than one year, if so authorized by the Board.

4.6 Individual Assessments. The Association is empowered to impose an Individual Assessment upon any Owner whose use or treatment of the Property or their Lot is not in compliance with the provisions of this Declaration, the Articles, the By-Laws and the Rules and Regulations duly enacted by the Association, or whose action or inaction increases the maintenance costs to the Association above that which would result from compliance by the Owner by complying with the provisions of this Declaration, the Articles, the By-Laws and the Rules and Regulations of the Association. The amount of such Individual Assessment shall be equal to such costs incurred and may be enforced in accordance with the provisions hereof with

respect to enforcement and collection of any other Assessment.

4.7 Effect of Nonpayment of the Assessment/Remedies of the Association. If Assessments are not paid on or before the due date, then such Assessments shall become delinquent, and shall, together with interest thereon, late charges and costs of collection thereof, as hereinafter provided, thereupon become a continuing lien on the Owner's Lot which shall bind such Lot in the hands of the Owner, his/her heirs, successors, devisees, personal representatives and assigns. The obligation of the Owner to pay such Assessment shall remain the Owner's personal obligation. The lien shall relate back to the date of filing the original Declaration, and shall bind the Lot and improvements of the Owner, his/her heirs, successors, devisees, personal representatives and assigns. Such lien shall be prior to all other liens hereinafter created, except as to the lien of first mortgages, as hereinafter provided, and ad valorem taxes. The Association may foreclose the lien in the same manner as a mortgage may be foreclosed. The lien shall secure the amount of the delinquency stated therein and all unpaid Assessments, interest, late charges, costs of collection and attorneys' fees until satisfied of record. No Owner may waive or otherwise escape liability for the Assessments by abandonment of the Lot. As an additional remedy, the Association may pursue a suit to recover a money judgment for unpaid Assessments.

Assessments not paid within fifteen (15) days after the due date shall bear interest from the date of delinquency at the rate established by the Board not to exceed the highest rate authorized by law ("delinquency rate"). Late fees shall be charged in an amount not to exceed the greater of twenty-five (\$25.00) dollars or five (5%) percent of the amount of each installment that is paid past the due date. If the Association engages the services of an attorney to file a lien, protect the Association's rights in a bankruptcy proceeding or in any other action relating to creditors rights, or to collect a delinquent Assessment, the Owner shall be liable for attorneys fees and costs incurred by the Association, whether or not litigation is instituted, and if instituted, whether incurred at trial or on appeal.

4.8 Subordination of Lien to Mortgagees. The lien of the Assessment provided for herein is hereby subordinated to the lien of a bona fide first mortgage on a Lot which mortgage is recorded prior to the recording of a Notice of Lien against such Lot; provided that such subordination shall apply only to Assessments which have become due and payable prior to a sale or transfer of such Lot, pursuant to a decree of foreclosure of such first mortgage or any other proceeding in lieu thereof including a sale or transfer of such Lot pursuant to a deed in lieu of foreclosure. Such sale or transfer shall not relieve such portion of the Property from liability for any Assessment thereafter coming due, nor from the lien of any such subsequent Assessment.

4.9 Transfer Fee. The Association shall charge a conveyance of title fee in the same amount as charged by the Association's management company in a negotiated contract with the management company, as approved by the Board. Said transfer fee shall be paid by or on behalf of the purchaser and shall be applied uniformly to all purchasers; however, the amount of said transfer fee may increase or decrease in order to be consistent with the fee charged by the management company under the terms of the contract then in effect.

ARTICLE V **ARCHITECTURAL REVIEW**

5.1 The Architectural Review Committee of the Association. The Association shall

establish an Architectural Review Committee ("the ARC") which shall function as follows:

5.1.1 The Board shall appoint Members to the ARC.

5.1.2 No construction, modification, alteration, or other improvement of any nature whatsoever, except interior alterations which do not change or affect the exterior structure or appearance of a building, shall be undertaken on any Lot and no landscaping, lawn decoration, driveway, parking area, or other Lot feature may be placed unless and until the plans for same shall have been approved in writing by the ARC.

5.2 Design Review Procedure. The Board shall adopt, and amend as needed, a Design Review Criteria ("DRC") to assure that Lot improvements shall be in harmony with the surrounding structures and topography. Prior to commencement of construction of a dwelling or any improvements or alterations thereto, Owners must submit copies of plans and specifications to the ARC. The plans and specifications must include at a minimum, construction and site plans and specifications including all proposed landscaping, the location of septic system, and the exterior color scheme. The ARC shall have thirty (30) days to review the plans. If the ARC does not act within thirty (30) days, the non-action by the ARC shall be deemed a disapproval of the plan(s) submitted, unless the ARC has agreed, in writing, to extend its review period. The ARC shall have the right to refuse to approve any plans and specifications which are not suitable or desirable. In approving or disapproving such plans and specifications, the ARC shall consider the DRC. Any party aggrieved by the decision of the ARC shall have the right to make a written request to the Board within thirty (30) days of such decision for a review thereof. The determination of the Board upon reviewing any such decision shall in all events be final. The ARC shall in all cases have the right to designate building setbacks to maintain the general plan for The Grove at Harbor Hills.

5.3 No Warranty. The ARC's review or approval of any construction, modifications, alterations or improvements shall not constitute a warranty as to the same, and neither the Association nor any member or representative of the ARC or the Board of Directors shall be liable for the safety, soundness, workmanship, materials or usefulness for any purpose of any such construction, modifications, improvements or alterations nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the ARC, the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the construction, modifications, improvements or alterations.

5.4 Enforcement. Owners, tenants, family members or guests who do not comply with these provisions shall be liable for costs and expenses incurred by the Board in enforcing the provisions hereof, including attorney's fees and court costs. The Board may levy fines and penalties against Owners, tenants, family members, guests, contractors and subcontractors for violations of the terms of this Declaration, the Articles, the By-Laws, the DRC, and the Rules and Regulations of the Association, whether such violation is a violation by the Owner or by an Owner's agent, tenants, family members, guests, contractor, or subcontractor. Owners are liable for all construction activities on their Lot. The Board may also seek to enforce the provisions hereof by injunction.

5.5 Meeting of the Architectural Review Committee. A meeting of the ARC occurs when a quorum of the Committee gathers to conduct Committee business. A majority of the members

of the ARC shall constitute a quorum. All meetings of the Committee shall be open to all Members of the Association except for meetings between the Committee and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notice of all Committee meetings shall be posted, mailed or delivered in accordance with the provisions of Florida Statutes Section 720.303(2). Committee members may not vote by proxy or secret ballot.

ARTICLE VI **THE USE RESTRICTIONS**

6.1 Purpose of Lot. No Lot shall be used for anything other than residential purposes. Except as otherwise provided herein, no building shall be erected, altered, placed or permitted to remain on any Lot other than a single-family dwelling which shall comply with the requirements of the DRC. Modular homes and mobile home are specifically prohibited. Outbuildings, sheds and the like are also prohibited.

6.2 Subdivision. No Lot shall be subdivided or split or combined by any means whatsoever. Nothing herein contained shall be construed to prohibit the creation of easements required by applicable governmental regulations.

6.3 Sidewalks. Sidewalks are required to be constructed by Owners in conjunction with the construction of Lot improvements in areas of The Grove at Harbor Hills designated by the ARC. Sidewalks must be constructed and thereafter maintained by the Owner in accordance with the DRC.

6.4 Landscaping. The Owner of each Lot shall be obligated to sod, to landscape with shrubs, bushes and trees in a manner approved by the ARC and to improve the Lot with an underground irrigation system. At a minimum, the following standards shall apply:

- 6.4.1. All Lots shall be attractively landscaped and well manicured;
- 6.4.2. The Owner shall promptly resod or reset any area of a Lot where sod has died or has been removed or damaged;
- 6.4.3. No portion of a Lot may be paved or similarly covered except as may be approved by the Association;
- 6.4.4 All lawns and landscaping area are to be maintained in a clean, trash-free and pest-free condition; and
- 6.4.5 The Owner shall at all times maintain his/her Lot in aesthetically attractive appearance, cutting grass before it reaches six (6) inches in height, removing dead growth and fallen vegetation, irrigating, and applying fertilizer and insecticides at regular intervals.

6.5 Pets. Only domestic dogs, cats or other household pets may be kept on the Lots, provided that they are not kept, bred or maintained for any commercial purposes, and only if such pets do not cause a disturbance or a nuisance on the Property. No more than two (2) household pets per Lot are permitted. Owners shall comply with all regulations, ordinances, and statutes of any public agency having jurisdiction over the Property which relate to animals.

The Owners of record of any Lot in which the household pets become an annoyance or nuisance to the neighborhood, shall take the necessary steps to negate such annoyance or nuisance immediately. In the event any dispute shall arise in reducing or negating said annoyance or nuisance, the Board shall be empowered upon written petition of one or more of the affected Owners to require the Owner to remove the pet from The Grove at Harbor Hills.

6.6 Signs. Except as may be required by legal proceedings, or as otherwise permitted by the Association, no sign, advertisement or notice may be displayed within the Property, unless express prior written approval of the size, shape, content and location has been obtained from the ARC. If after demand and reasonable notice to Owner, such Owner has not removed an unapproved sign, the Association may, through a representative, enter the Owner's Lot and remove such sign without liability therefore. Owner hereby grants a license to the Association for such purpose.

6.7 Paving. All driveway surfaces shall be finished with broom finish concrete in a natural cement color, or with pressed concrete, brick, interlocking concrete pavers or other stone aggregate finishes, the color of which shall be compatible with those used throughout The Grove at Harbor Hills. All driveway surfaces, including those painted or stained, must be **approved by the ARC**.

6.8 Games and Play Structures. All swings, basketball backboards or any other fixed games or play structures shall be installed only on that portion of the Lot located in the rear of a residence and shall not be installed or located in such manner as to be exposed to view from any private street as expressly approved by the ARC.

6.9 Installations. The installation of any antenna or satellite dish that is protected by Federal law shall not occur until notice of such installation is first supplied to the Association, and the Association shall have the right to promulgate Rules and Regulations regarding the location and screening of the same; provided, however, such Rules and Regulations do not violate Federal law. The installation of any other antenna, aerial, satellite dish or other receiver transmitting device or any similar exterior structure or apparatus may be erected on a Lot except pursuant to standards adopted by the ARC. No ham radios or radio transmission equipment shall be operated or permitted to be operated in or on the Property. Solar hot water heating equipment and piping may be installed, but only in accordance with the DRC and as approved by the ARC.

6.10 Outside Lighting. All outside lighting must be approved by the ARC. No spotlights, floodlights or similar high intensity lighting shall be placed or utilized upon any Lot which in any way will allow light to splash onto any other Lot without the written authorization of the ARC. The DRC may mandate minimal lighting of Lots for safety reasons. All approved lights must be kept in good working order. Seasonal lighting, if permitted, will be governed by the DRC.

6.11 Motor Vehicles, Trailers, Campers, Etc.

6.11.1 Each Owner shall provide garage parking on its Lot for a minimum of two passenger vehicles. Said passenger vehicles may be parked in the driveway of a Lot as long as they have a current license plate and tag and are operational. In addition, short term guest parking is permitted on the driveway as set forth in the Rules and Regulations. There shall be no outside storage or parking on a Lot in excess of three (3) days within any thirty (30) day

period of any boat or other watercraft, mobile home, trailers (either with or without wheels), motor home, camper, or any other related forms of transportation or recreational vehicles. The Association may further define the term transportation or recreational vehicles in the Rules and Regulations. Parking or storing any of the aforesaid transportation or recreational vehicles within any portion of the Common Area is forbidden. The aforesaid transportation or recreational vehicles may be parked or stored within a fully-enclosed garage.

6.11.2 The use of motorized go-carts, all terrain vehicles (ATV's), and mopeds is prohibited within The Grove at Harbor Hills.

6.11.3 No more than two (2) passenger vehicles, which are operational and have a current license plate and tag, may be parked in the driveway of any Lot at one time so as to be visible from any street, common area or any Lot, except for short term guest parking as set forth in the Rules and Regulations.

6.11.4 No Owners or other occupants of any portion of the Property shall repair or restore any vehicle of any kind upon or within the Property, except for emergency repairs and then only to the extent necessary to enable the movement thereof to a proper repair facility. Vehicles shall be parked only within Lots on paved surfaces and shall not block sidewalk or cart paths. Parking by Owners within street rights-of-way is prohibited. The Association is authorized to tow vehicles parked in violation hereof and charge the expense therefore against the Owner in violation. Overnight parking in the streets shall be prohibited. However, an exception to the restriction of prohibiting overnight parking in the streets is a special circumstance (e.g. wedding, funeral, birth or anniversary celebration).

6.11.5 The parking of commercial vehicles is prohibited at any time on driveways, streets, or anywhere within The Groves at Harbor Hills, except for loading and unloading purposes, providing services for a resident, or when parked entirely within a garage. The definition of commercial vehicles shall be as set forth in the Rules and Regulations of the Association.

6.11.6 No exceptions to the parking regulations will be allowed unless approved by the Board of Directors.

6.12 Delivery and Construction Hours. Unless otherwise authorized by the Association, construction activities, other than work to be performed on the inside of a residence which is enclosed, shall only be permitted on Monday through Friday between the hours of 7 a.m. and 7 p.m., and on Saturday between the hours of 9 a.m. and 4 p.m., excluding therefrom national holidays. In addition, delivery of construction materials shall only be permitted on Monday through Friday between the hours of 7 a.m. and 7 p.m., and on Saturday between the hours of 9 a.m. and 4 p.m., excluding therefrom National holidays. Storage and removal of construction debris shall be in accordance with the DRC and any additional requirements imposed by the ARC.

6.13 Mailboxes. No individual mailboxes shall be installed on the Property. Cluster mailboxes shall be installed and maintained by the Association.

6.14 Leasing. All leases of Lots shall be restricted to residential use only. Partial leases (e.g. room or rental of portions of the residence) are prohibited. Owners may lease their Lots no more frequently than twice per calendar year. Owners shall be responsible for

providing a copy of the lease to the Association at the time of leasing. Owners shall be personally liable for the actions of their tenants. Owners shall be responsible for apprising the tenants of the Rules and Regulations of The Grove at Harbor Hills. Failure to comply with these provisions may result in certain remedies being applied, including but not limited to, termination of the lease.

6.15 Fences. No fences or walls shall be erected without approval by the ARC.

6.16 Swimming Pools. Swimming pools may be constructed on any Lot in the rear yard subject to Lake County rules and regulations and the approval of the ARC.

6.17 Garbage Receptacles, Other Containers and Mechanical Equipment. All garbage receptacles, fuel tanks, meters, air conditioning, heating and pool equipment and other equipment which are placed or stored outside of the residence, must be placed or stored in an area so that they are concealed from view from roads and adjacent Lots. Any such visual barrier shall be consistent with the DRC, which may require construction of privacy walls or buffer landscaping.

6.18 Parking. Parking shall only be authorized at The Grove at Harbor Hills in such areas that are designated for parking purposes. Parking Rules and Regulations shall be promulgated by the Board of Directors.

6.19 Rules and Regulations. The Board of Directors of the Association shall have the power and right to promulgate and amend Rules and Regulations concerning the use of the Lots and the Common Areas. No Owner shall violate the Rules and Regulations as the same are from time to time adopted by the Association. The prohibitions and restrictions contained in this Article shall be self-executing without implementation by Rules and Regulations of the Association; but the foregoing shall not be construed as an implied prohibition against the Association's extending the scope of such prohibitions and restrictions by enacting from time to time Rules and Regulations consistent with this Declaration.

ARTICLE VII
ENFORCEMENT OF, AMENDMENTS TO, AND TERM OF
RESTRICTIONS, CONDITIONS, COVENANTS,
RESERVATIONS AND LIENS

7.1 Enforcement. The Association or any Owner shall have the right to enforce by a proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens, easements, and charges, now or hereafter imposed by the provisions of this Declaration, the Articles and By-Laws and the Rules and Regulations promulgated by the Board. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

The St. John's River Water Management District 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 Surface Water or Stormwater Management System.

7.2 Approval of Association Lawsuits by Owners. The Association shall be required to obtain the approval of at least two-thirds of the Members, who are voting in person or by proxy, at a duly called meeting of the Members at which a quorum is present, prior to engaging an

attorney or other expert to represent them and prior to the payment of legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

- (a) the collection of Assessments;
- (b) the collection of other charges which Owners are obligated to pay pursuant to this Declaration, the Articles or By-Laws of the Association;
- (c) the enforcement of the use and occupancy restrictions contained in this Declaration, the Articles or By-Laws of the Association; or
- (d) in an emergency where waiting to obtain the approval of the Members creates a substantial risk of irreparable injury to the Property, the Association or Member(s); or
- (e) defending a lawsuit instituted against the Association.

7.3 Failure of Compliance by Owner. In addition to the Association's right to institute fines and/or suspensions as set forth in Article X of the By-Laws, in the event an Owner fails to perform the Owner's responsibilities pertaining to maintenance of Owner's Lot or undertakes unauthorized improvements or modifications, the Association, at the Owner's sole cost and expense, as hereinafter set forth, shall have the right to repair, maintain and/or replace portions of Owner's dwelling, or other improvements upon his/her Lot including grass areas, landscaping and sprinkler system. Developer hereby reserves and creates an easement across each Lot in favor of the Association and its authorized agents, for the purposes of performing any act necessary to insure compliance with the provisions hereof. In the event an Owner fails to perform an Owner's maintenance responsibility on his/her Lot or causes any damage to any improvement which the Association has the responsibility to maintain, repair, or replace, or Owner undertakes unauthorized improvements or modifications to his/her dwelling or any other portions of his/her Lot or to the Common Area, or erection of unauthorized structures or signs, the Association, after approval of a majority vote of the Board of Directors and ten (10) days prior written notice, shall have the right, through its agents and employees, to enter upon said Lot and cause the required repairs or maintenance to be performed, or as the case may be, remove unauthorized improvements or modifications or signs, and the same shall not constitute a trespass or otherwise be actionable. The cost thereof, plus reasonable overhead cost to the Association, the attorney's fees and court costs at all levels of proceedings, whether or not suit is filed, shall be added to and become a part of the Assessment to which the Lot is subject.

7.4 Term; Amendment. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of twenty-five (25) years from the date this Declaration is recorded in the Public Records of Lake County, Florida, after which time they shall be automatically extended for successive periods of ten (10) years each. This Declaration may be amended at any time by one of the following methods: (a) by approval of at least 75% of the Voting Members in The Grove at Harbor Hills at a duly called meeting of the Members as evidenced by a certification thereof by the Secretary of the Association which is recorded in the Public Records; or (b) by the execution and recording of an instrument evidencing the amendment executed by at least 75% of the Voting Members in The Grove at Harbor Hills, which instrument is effective upon being recorded in the Public Records.

7.5 Amendment Requiring Approval of St. John's River Water Management District. Any amendment to this Declaration which may alter any provision relating to the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Areas, must have the prior approval of the St. John's River Water Management District.

7.6 Association Dissolution. In the event the Association should dissolve, it may not dispose of any Common Area or open space by sale otherwise without first offering to dedicate same to Lake County. This provision shall not prevent the Association from merging with another homeowner's association.

ARTICLE VIII
MISCELLANEOUS

8.1 Indemnification. Each Owner agrees to indemnify, defend, and hold the Association harmless from all claims, damages, costs, and other obligations and liabilities from or in connection with the activities or omissions of the Owner, his/her family members, his agents, representatives, invitees, contractors, subcontractors or other persons for whom the Owner is responsible within the Property.

8.2 Conflicts. If there are conflicts between the provisions of this Declaration, the Articles, and the By-Laws, the provisions of this Declaration, the Articles, and the By-Laws (in that order) shall prevail.

8.3 Governing Law. The construction, validity and enforcement of this Declaration shall be determined according to the laws of the State of Florida. The venue of any action or suit brought in connection with this Declaration shall be in Lake County, Florida.

8.4 Severability of Provisions. All covenants and restrictions set forth herein are separate and independent. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

This Second Amended and Restated Declaration was duly and properly amended by the approval of Owners who own not less than 75% of the Lots at a duly called meeting of the Members.

Executed at _____ (city), Lake County, Florida, on this the _____ day of _____, 200__.

Signed and delivered
in the presence of:

THE GROVE AT HARBOR HILLS
HOMEOWNER'S ASSOCIATION, INC.

Signature of Witness

By: _____

Print Name: _____

Print Name

President

Address: _____

Signature of Witness

Print Name

Signature of Witness

Print Name

Signature of Witness

Print Name

Attest: _____

Print Name: _____
Secretary

Address: _____

STATE OF FLORIDA
COUNTY OF LAKE

THE FOREGOING INSTRUMENT was acknowledged before me this _____ day of _____, 200____, by _____ and _____ who are personally known to me to be the President and Secretary, respectively, of THE GROVE AT HARBOR HILLS ASSOCIATION, INC., or have produced _____ (type of identification) as identification. They acknowledged executing this document in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation.

WITNESS my hand in the County and State last aforesaid on this _____ day of _____, 200____.

Notary Public-State of Florida
Print Name:
Commission No.:
My Commission Expires: