

WINDERMERE GARDEN VILLAS

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

PREMIER INVESTMENT GROUP, INC., hereinafter called "Declarant" is the owner in fee simple of certain real property located in Citrus County, Florida described on the Exhibit "A" attached hereto and by this reference made a part hereof, hereinafter called "the land."

WHEREAS, said Developer is developing the land and is desirous of placing certain restrictions and other obligations upon the use of all of the land and is desirous that said restrictions and other obligations shall run with the title to the land hereby restricted,

NOW, THEREFORE, for and in consideration of the premises and for other good and valuable considerations, the Developer, for itself and its successors and assigns, does for the purpose of enhancing and protecting the value, attractiveness and desirability of the land described on the attached Exhibit "A" declare that all of the land shall be held, sold and conveyed subject to the following easements, covenants, conditions and restrictions, which shall constitute covenants running with the land and the owner of any parcel or tract of land or any part or portion thereof shall be deemed by the acquisition thereof to have agreed to all such restrictions and other rights and obligations and to have covenanted to abide by each covenant, condition and obligation. Each covenant, condition and obligation set forth herein shall be binding upon all parties having any right, title or interest in the land or any part thereof, and upon their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

1. DEFINITIONS

1.1 Association - shall mean and refer to WINDERMERE GARDEN VILLAS HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, its successors and assigns.

1.2 Common Area - shall mean all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the owners. The real property in the initial common area to be owned by the association shall be conveyed to the Association prior to the conveyance of a subdivision interest to any residential lot purchaser.

1.3 Construction Mortgagee - shall mean SUN BANK AND TRUST COMPANY, and its successors and/or assigns.

1.4 Declarant - shall mean PREMIER INVESTMENT GROUP, INC., its successors and assigns.

1.5 Developer - shall mean and refer to PREMIER INVESTMENT GROUP, INC., its successors and assigns.

1.6 Development - shall mean and refer to WINDERMERE GARDEN VILLAS, which is the name assigned by the Developer to the overall project which will be built on the land described on the attached Exhibit "A".

1.7 Institutional Mortgagee - is the owner and holder of a mortgage encumbering a lot which owner and holders of said mortgage shall be either a bank, life insurance company, federal or state savings and loan association, real estate or mortgage investment trust, federal or state agency, the Developer or other mortgagee which shall be acceptable to and approved by the Board of Directors of the Association.

1.8 Lot - shall mean a portion of the properties other than the common area intended for any type of independent ownership and use as may be set out in this declaration and shall be shown on the plat filed of record for WINDERMERE GARDEN VILLAS. Where the contexts indicates or requires, the term "lot" includes any dwelling located on the lot.

1.9 Maintenance - shall mean the exercise of reasonable care to keep buildings, roads, landscaping, lighting and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted garden-management practices necessary to promote a healthy, weed-free environment for optimum plant growth.

1.10 Member - shall mean every person or entity who holds membership in the Association.

1.11 Owner - shall mean the record owner, whether one or more persons or entities, of a fee simple title to any unit which is part of the development and shall include contract sellers, but shall not include those holding title merely as security for performance of an obligation.

2. ASSOCIATION

In order to provide for the efficient and effective administration of this declaration, a non-profit corporation known and designated as WINDERMERE GARDEN VILLAS HOMEOWNERS ASSOCIATION, INC. has been organized by the developer under the laws of the State of Florida and said corporation shall administer the operation and management of this development and undertake to perform all acts and duties incident thereto in accordance with the terms, provisions and conditions of this declaration, its by-laws and rules and regulations promulgated by the association from time to time.

2.1 Articles of Incorporation. A copy of the Articles of Incorporation of the association is attached hereto as Exhibit "B".

2.2 By-Laws. The by-laws of the association shall be the by-laws, a copy of which are attached hereto as Exhibit "C".

2.3 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the common areas and other areas in the development, the association shall not be liable to lot owners for entry or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the association, or caused by the elements or other owners or persons.

2.4 Restraint Upon Assignment of Shares in Assets. The shares of members in the funds and assets of the Association can not be assigned, hypothecated or transferred in any manner except as an appurtenance to a lot.

2.5 Approval or Disapproval of Matters. Whenever the decision of a lot owner is required upon any matter, whether or not the subject of an association meeting, such decision shall be expressed in accordance with the by-laws of the association.

2.6 Applicability of Articles of Incorporation and By-laws. By acceptance of a deed from the declarant, each lot owner agrees to be bound by the terms and conditions of the Articles of Incorporation of the association, by-laws of the association and the requirements of this declaration.

3. MEMBERSHIP IN ASSOCIATION AND VOTING RIGHTS

3.1 Every person or entity who is the record owner of a fee or undivided fee interest in any residential lot that is subject to this declaration shall be deemed to have a membership in the association. Membership shall be appurtenant to and may not be separated from such owners. In the event the owner of a residential lot is more than one person or entity votes and rights of use and enjoyment shall be as hereinafter set forth. The rights and privileges of membership, including the right to vote, may be exercised by a member or the member's spouse, but in no event shall more than one vote for each class of membership applicable to a particular residential lot be cast for each residential lot.

3.2 The association shall have two classes of membership as follows:

CLASS A. Class A shall be all owners with the exception of the Class B members, if any. Class A members shall be entitled on all issues to one vote for each residential lot in which they hold the interest required for membership by section 1 hereof; there shall be one vote per residential lot; provided, however, no vote shall be cast or counted for any residential lot not subject to assessment. When more than one person or entity holds such interest in a residential lot, the vote for such lot shall be exercised as those persons or entities among themselves determine and the secretary of the association shall be advised prior to any meeting of their decision. In the absence of such advanced notice the residential lot's vote shall be suspended in the event that more than one person or entity attempts to exercise it.

CLASS B. The Class B members shall be the Declarant and any successor of Declarant who takes title for the purposes of development and sale and who is designated as such in the recorded instrument executed by the Declarant. The Class B member shall be entitled to exercise three votes for each lot owned whether a dwelling is constructed thereon or not. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership or on or before January 1, 1996 or when in its discretion the Declarant so determines. From and after the happening of one of the above events, whichever occurs earlier, Class B members shall be deemed to be a Class A member entitled to one vote for each residential unit in which it holds the interest required for membership under section 1 hereof.

4. EASEMENTS

Each of the following easements is a covenant running with the land of the development and notwithstanding any other provisions of this declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended use and purpose.

4.1 Utilities. There shall exist reciprocal, appurtenant easements as between each unit for the installation and maintenance of utilities and drainage facilities which specifically shall include certain drainage and filtration ponds for the purpose of storm water drainage. Additionally utility easements shall exist appurtenant to each unit as may be required for the provision of all utility services to properly serve the development; provided, however, easements through a unit shall be only according to the plans and specifications for the building or as the building is actually constructed, unless approved, in writing, by the unit owner. The exact location of the utility and drainage easements, except for easements that may be necessary through each

building, will exist as they appear on the plat of WINDERMERE GARDEN VILLAS which either has been recorded or will be recorded in the public records of Citrus County, Florida.

4.2 Pedestrian and Vehicular Traffic. Easements appurtenant to each unit and between adjacent units shall exist for pedestrian traffic over, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, either upon the common areas or upon the lands owned by each lot owner. Access easements will be as shown on the plat of WINDERMERE GARDEN VILLAS which has either been recorded or will be recorded in the public records of Citrus County, Florida.

4.3 Support. Every portion of dwelling contributing to the support of the building in which the dwelling unit is located shall be burdened with an easement of support for the benefit of all other dwellings.

4.3.1 Perpetual Non-Exclusive Easement in Common Areas. The common areas shall be and the same are hereby declared to be subject to perpetual non-exclusive easements in favor of all the owners of lots in the development for their use and the use of their employees, guests and invitees, for all proper and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended.

4.3.2 Perpetual Non-Exclusive Easement in Land Surrounding Each Lot. The land surrounding the exterior walls of each unit are hereby burdened by reciprocal, perpetual, non-exclusive easements in favor of each lot owners, their invitees, lessees and guests for all proper and normal purposes.

4.3.3 Right of Entry. Each lot shall be burdened with an easement in favor of the association, through its duly authorized employees and contractors, to enter any lot at any reasonable hour or any date to perform such maintenance as may be required to be performed by the association pursuant to the association's responsibilities under this declaration.

4.3.4 Right of Entry into Private Dwellings in Emergencies. In case of an emergency originating in or threatening any dwelling, regardless of whether or not the owner is present at the time of such emergency, the board of directors of the association, or any other person authorized by it, or the building manager or managing agent, shall have the right to enter such dwelling for the purpose of remedying or abating the cause of such emergency, and in anticipation of any such right to entry in the event of any such emergency, the owner of such dwelling, if required by the association, shall deposit under the control of the association a key to such dwelling.

4.3.5 Easement of Unintentional and Non-negligent Encroachment. In the event that any dwelling shall encroach upon any of the common areas for any reason not caused by the purposeful or negligent act of the lot owner or the agents of such owner, then an easement appurtenant to such lot shall exist for the continuance of such encroachment into the common areas for so long as such encroachment shall naturally exist; and in the event that any portion of the common areas shall encroach upon any lot then an easement shall exist for the continuance of such encroachment of the common areas into such unit for so long as such encroachment shall naturally exist.

4.3.6 Delegation of Use. Subject to such limitations as may be imposed by the by-laws, 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.

4.3.7 No Partition. There shall be no judicial partition of the common areas, 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 unit owned in co-tenancy.

4.3.8 Declarant's Reserved Easement. Notwithstanding any provisions contained in the Declaration to the contrary, Declarant hereby expressly reserves unto itself and its successors and assigns an exclusive, perpetual right, privilege and easement with respect to the development for the benefit of Declarant, its successors and assigns, over, under, in and/or on the development, without obligation and without charge to Declarant for the purposes of construction, installation, relocation, development, sale, maintenance, repair, replacement, use, and enjoyment and for any other purpose dealing with the development. The reserved easement shall constitute a burden on the title to the development.

5. MAINTENANCE, REPAIR, ALTERATIONS AND IMPROVEMENTS OF LOTS. The responsibility for the maintenance, alteration and improvements of a lot and restrictions upon an owner's alterations and improvements shall be as follows:

5.1 Maintenance and Repair By the Association. The Association shall maintain and repair at the Association's expense:

5.1.1 All portions of the dwelling contributing to the support of the building of which the dwelling unit is a part, which portion shall include, but not be limited to, outside walls of the dwelling unit and fixtures on its exterior, the roof, those portions of boundary walls not a part of the dwelling; floor and ceiling slabs, load bearing columns, load bearing walls and the porches and walkways in the front of each dwelling.

5.1.2 All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portion of a dwelling maintained by the association; and all such facilities contained within a dwelling that service part or parts of the development other than the dwelling within which contained.

5.1.3 All incidental damage caused to a dwelling by such work immediately above-described shall be repaired promptly at the expense of the Association. the support.

5.2 Maintenance By the Lot Owner. Responsibility of the lot owner for maintenance and repair shall be as follows:

5.2.1. To keep and maintain his dwelling, its equipment and appurtenances in good order, condition and repair. and to perform promptly all maintenance and repair work within the dwelling which, if omitted, would affect the dwelling in its entirety or in a part belonging to others; being expressly responsible for the damages and liability which his failure to do so may engender. Notwithstanding anything contained in this Declaration, the owner shall be liable and responsible for the maintenance, repair and replacement, as the case may be, of all windows and all exterior doors, including sliding glass doors and all air conditioning and heating equipment, stoves, refrigerators, fans and other appliances and equipment, including pipes, wiring, ducts, fixtures, and/or their connection required to provide water, light, power, air conditioning and heating, telephone, sewage and sanitary service to his dwelling which may now or hereafter be situated in his dwelling.

5.2.2 To maintain, repair and replace any and all walls, ceilings and floors interior surfaces, painting, decorating and furnishings, and all other accessories which such owner may desire to place and maintain in his dwelling.

5.2.3 Where applicable, to maintain and keep in a neat and trim condition the floor, interior walls, screening and railings of patios, sundecks or balconies.

5.2.4 Where applicable, to keep and maintain in a clean and neat condition the porch, walk and driveway.

5.2.5 To promptly report to the Association any defect or need for repairs for which the Association is responsible.

5.2.6 Plumbing and electrical repairs to fixtures and equipment located within a dwelling and exclusively servicing a dwelling shall be paid for and be a financial obligation of the owner.

5.2.7 Any officer of the Association or any agent of the Board shall have the irrevocable right to have access to each dwelling from time to time during reasonable hours as may be necessary for inspection, maintenance, repair or replacement of any common elements therein necessary to prevent damage to the common elements or to another dwelling or dwellings.

5.2.8 Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the building and/or property.

5.3 Alterations and Improvement. Except as elsewhere reserved to the Developer, neither an owner nor the Association shall make any alteration in the portions of a dwelling that are to be maintained by the Association, remove any portion of such, make any additions to them, do anything that would jeopardize the safety or soundness of the building or impair any easement, without first obtaining approval in writing of owners of all dwellings in the building and approval of the Board of Directors of the Association. A copy of plans for all such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the start of work.

5.4 Enforcement of Maintenance. In the event the owner of any dwelling fails to maintain a unit as required above, the Association, Developer or any other owner shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions or the Association shall have the right to assess the owner and the lot for the necessary sums to put the improvements within the dwelling in good condition. After such assessment, the Association shall have the right to have its employees or agents enter the dwelling and do the necessary work to enforce compliance with the above provisions.

Further, in the event an owner violates any of the provisions of this section, the Developer and/or the Association shall have the right to take any and all such steps as may be necessary to remedy such violation, including, but not limited to, entry of the subject dwelling with or without the consent of the owner, and to effect the repair and maintenance of any item requiring same, all at the expense of the owner.

5.5 Changes in Developer-Owned Dwellings. Notwithstanding the above, the Developer shall have the right, without the voter consent of the Association or any owner, to make alterations, additions or improvements in, to and upon the dwellings units owned by the Developer, whether structural or non-structural, interior or exterior, ordinary or extraordinary; change the layout or number of rooms in any Developer-owned dwellings; or make any changes that would assist the Developer in marketing the unsold lots

6. MAINTENANCE, ALTERATIONS AND IMPROVEMENTS OF THE COMMON AREA.

6.1 The maintenance, repair and operation of the common areas, including the repair, maintenance and replacement of landscaping, personal property owned by the Association, and other improvements and facilities shall be the responsibility of the Association as a common expense. It shall additionally be the responsibility of the Association to maintain and repair the landscaping and the lands surrounding each dwelling.

7. PARTY WALL

7.1 General Rules of Law to Apply. Each wall built as a part of the original construction of any structure on a lot which shall serve and separate any two adjoining structures shall constitute a party wall and to the extent not inconsistent with the provisions of this section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

7.2 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the lot owners who make use of the wall.

7.3 Damage and Destruction. If a party wall is destroyed or damaged by fire or other casualty then any and all insurance proceeds received by any lot owner as a result of such destruction shall be applied to restore the wall.

7.4 Right of Contribution. In the event any owner pays more than his equal proportionate share of the cost of repair, maintenance or reconstruction of a party wall then such lot owner shall have the right to contribution from the other lot owners and the right of contribution shall run with and be appurtenant to the land.

8. INSURANCE

8.1 By the Association

8.1.1 Casualty. The Association shall insure all buildings and improvements located on the common areas and all personal property of the Association included in the development in an amount equal to the maximum insurable replacement value under a blanket all-risk casualty insurance policy. Such other risk as from time to time shall be customarily covered with respect to such buildings similar in construction, location, and use, including but not limited to vandalism and malicious mischief.

8.1.2 Public Liability. The Association shall provide public liability insurance in such amounts and with such coverage as shall be required by the Board of Directors of the Association with cross liability endorsements to cover liability of the owners as a group to a lot owner. Provided, however, the amount of public liability insurance shall at least be in an amount of \$1,000,000.00 or greater for any one accident.

8.1.3 Workmen's Compensation. It shall be procured by the Association to meet the requirements of the law.

8.1.4 Additional Insurance. Such other insurance as the Board of Directors of the Association, in its discretion, may determine from time to time to be in the best interest of the Association and the unit owners, including Directors' Liability Insurance.

8.1.5 Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association from Association monies generated by assessment on lot owners.

8.2 By the Lot Owner.

8.2.1 Casualty. It shall be the responsibility of each lot owner to procure a blanket all-risk casualty insurance policy to insure the full replacement cost of all structures and improvements on a lot. Each individual lot owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction, the individual owner shall then proceed promptly to repair and/or to reconstruct the damaged structure in a manner consistent with the original construction. All insurance proceeds received in the event of a partial destruction shall be applied by the owner to repair or reconstruct the structure in a manner consistent with the original construction. In the event that the structure is totally destroyed and the individual owner determines not to rebuild or reconstruct, the individual owner shall clear the lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction. The Association may impose more stringent requirements regarding the standards for rebuilding and reconstructing structures on the lot and the standard for returning the lot to its natural state in the event the lot owner decides not to rebuild or reconstruct.

8.2.2 Proof of Casualty Insurance. The Association shall have the right to require lot owners to provide proof that all structures on the lot are covered by a casualty insurance policy as defined above. In the event a lot owner fails to carry the required casualty insurance, then the Association shall have the right to procure the required casualty insurance and to add the cost of such insurance to the lot owners next due monthly assessment charge and to proceed accordingly to collect same.

8.2.3 Additional Insurance. Each lot owner shall additionally procure whatever insurance the lot owner desires to protect the personal property of the lot owner located in any dwelling constructed on the lot and any additional public liability insurance that the owner might desire.

9. ASSESSMENTS

Each and every lot plot within the development is hereby subjected to monthly maintenance assessments as hereinafter provided to allow the Association to carry out its duties and responsibilities under this declaration.

9.1 Commencement of and Collection of Annual Assessments. The annual assessments shall cover the calendar year and shall be payable monthly, in advance and without notice, on the first day of each month. The first assessment shall be a prorata share of the full month, based upon the day that the deed is conveyed from the developer to the lot owner. Thereafter, the lot will be subject to the full monthly maintenance assessment. The first month's prorata assessment shall be paid in advance and be a part of the initial closing costs. Commencing on the first day of each month thereafter, each owner shall pay, in advance, to the Association at the office of the Association, or at such other place as shall be designated by the Association, the full monthly maintenance assessment assessed against such lot and such payments shall be used by the Association to create and continue maintenance funds to be used to discharge its obligations and responsibilities under this Declaration.

9.2 Delinquency and Affect of Non-Payment of Assessment. Each such monthly maintenance assessment shall become delinquent if not paid by the 10th day of the month when due and shall bear interest at the rate of 18% per annum from said date until paid. No member of the Association may vote on any manner coming before the Association if such member is delinquent in the payment of any assessment or installment thereof in any respect and additionally the owner, and the owners' agents, guests, family and tenants shall not be allowed to utilize the common areas of the development or any recreational facilities located in the development until such delinquency has been cured. The Association shall specifically have the right to deny access to the common areas.

9.3 Lien for Assessments. If any monthly assessments remains past due for more than thirty days, then the Association shall have a lien on each owners' lot for any unpaid assessments, plus interest thereon, together with a lien on all tangible personal property located on the lot, except such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees incurred by the Association incident to the collection of such assessment for the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its liens shall be payable by the lot owner and secured by such lien. The Association's lien shall include those sums advanced on behalf of each owner in payment of its obligations for use charges and operation costs.

Said lien shall be effective from and after the time of recording in the public records of Citrus County, Florida, of a claim of lien stating the description of the lot, the name of the record owner, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid. Such claims of lien shall be signed and verified by an officer of the Association. Upon full payment the party making payment shall be entitled to a recordable satisfaction of the lien. All such liens shall be subordinate to the lien of an institutional mortgage recorded prior to the time of recording of the claim of lien.

9.4 Collection and Foreclosure. The Board of Directors may take such action as they deem necessary to collect assessments of the Association by personal action or by enforcing and foreclosing said lien, and may settle and compromise same, if in the best interest of the Association. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against said bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the owner shall be required to pay a reasonable rental and the Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the owner and/or occupant.

9.5 Unpaid Assessments - Certificates. Any owner shall have the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to his lot. The holder of a mortgage or other lien shall have the same right as to any lot upon it he has a lien. Any person other than the owner who relies upon such certificate shall be protected thereby.

9.6 Maximum Monthly Assessment and Developer's Guarantee of Assessments. The Declarant hereby guarantees to each lot owner that the maximum monthly assessments payable to the Association shall be as follows:

9.6.1 During the calendar year 1989 the maximum monthly assessment shall not exceed \$59.00 per month.

9.6.2 During the calendar year 1990 the maximum monthly assessment shall not exceed \$64.90 per month.

9.6.3 The Board of Directors of the Association may fix the monthly assessment at an amount not in excess of the maximum in any of the above years.

9.6.4 In exchange for the Developer guaranteeing the maximum monthly assessment as set forth above, the Developer shall be excused from the payment of any monthly assessments for any developer owned lots, whether a dwelling is thereon or not. The Developer shall be responsible for funding from the Developer's own funds any monies necessary to pay the Association expenses which exceed the amounts collected from lot owners. Furthermore, during the developer's period of guarantee no reserves for future improvements to the common areas shall be funded.

9.7 Non-Waiver. The liability for assessments may not be avoided by waiver of the use or enjoyment of any of the common areas or abandonment of the lot for which the assessment is made.

9.8 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 areas, including fixtures and personal property related thereto. Any such assessment must be approved by a majority of each class of members.

9.9 Subordination of Assessment Lien to Mortgages. The assessment lien provided for herein shall be subordinate to the lien of any institutional mortgage as defined herein. A sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to 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 of liability for any assessments thereafter becoming due or from the lien thereof.

9.10 Purpose of Annual Assessments. The annual assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the owners in the development and for the improvement and maintenance of the common areas. Annual assessments shall include, and the Association shall require and pay out of the funds derived from the annual assessments the following:

9.10.1 All operating expenses of the Association of any kind or type including, without limitation, the cost of any insurance coverages carried by the Association and all of the costs of operating the Association.

9.10.2 All ad valorem and other taxes, if any, assessed against the real estate owned by the Association and against any properties, real or personal, or any interest therein, owned by or leased to the Association and to make payment of any other taxes, including income taxes, if any, payable by the Association.

9.10.3 All annual current expenses required for the reasonable repair and maintenance, including ground maintenance of all Association property and common areas and other maintenance obligations of the Association as set forth in this Declaration, including all recreational facilities and other improvements now or hereafter of record or installed in the common areas and the ground maintenance all lots as well as the paved access ways and all surface drainage facilities anywhere within the development.

9.10.4 A deposit to a reserve fund which, with future deposits thereto, will be sufficient in the judgment of the Association to cover the costs of anticipated future periodic exterior maintenance work on the dwellings and all of the common areas and other improvements owned by the Association, including resurfacing of the paved access ways.

9.10.5 To pay any other costs of materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, or assessments which the Association requires 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 the owners, or for the enforcement of these restrictions.

10. USE RESTRICTIONS

The use of the property of the development shall be in accordance with the following provisions:

10.1 Dwellings.

10.1.1 Each of the dwellings shall be occupied by an owner, members of his family, his servants, guests and tenants as a residence and for no other purpose. No dwelling shall be permanently occupied by more than six persons and the maximum permanent occupants and overnight guests shall be no more than six persons.

10.1.2 Except as reserved to the Developer, no dwelling may be divided or subdivided into a smaller dwelling nor any portion thereof sold or otherwise transferred without first amending this Declaration to show the changes.

10.1.3 Nothing shall be hung, displayed or placed on the exterior walls, doors or windows of the dwelling or building without the prior written consent of the Board of Directors of the Association.

10.1.4 No clotheslines, or similar device or hanging of towels, etc. shall be allowed on any patios, sun decks or balconies of the dwelling, or any other part of the development property, without the written consent of the Board of Directors of the Association.

10.1.5 No owner shall make, allow or cause to be made any structural addition or alteration of his dwelling or the common areas without the prior written consent of the Association.

10.1.6 No rubbish, trash, garbage or other waste material shall be kept or permitted on any dwelling or on the common areas except in sanitary containers located in appropriate areas concealed from public view. In the event the Association provides dumpsters or other suitable containers for trash or rubbish, then such trash and rubbish shall only be deposited into said containers.

10.2 Common Areas. The common areas shall be used only for the purpose for which they are intended.

10.3 Nuisances. No nuisances shall be allowed on the development property nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper residential use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist. No owner shall permit any use of his unit or of the common areas which will increase the rate of insurance upon the development property.

10.4 Parking. Each lot owner and the lot owner's guest shall park on the lot owner's property, except that parking is permitted in access ways provided the vehicle does not stay parked in such access way over night.

10.5 Boats. Each unit owner shall be allowed to have one boat which may be located on the development property and either kept on the lot owner's property or in an area designated by the Association for such purpose, if such an area is designated by the Association. Additionally, a boat may be tied up along the water's edge on docks subject to availability of space.

10.6 Lawful Use. No immoral, improper, offensive, or unlawful use shall be made of the development property or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of the governmental bodies which require maintenance, modification or repair of the development property shall be the same as the responsibility for the maintenance and repair of the property concerned.

10.7 Signs. No signs shall be displayed from a unit or on the common areas except such signs as shall have advance written approval by the Association. This shall include "For Sale", "For Rent" or similar signs.

10.8 Pets. No animals, livestock or poultry of any kind shall be raised, breed, or kept in any unit or on the common area. Only one dog or one cat of less than twenty pounds in weight may be kept on any one lot. Other household pets may be kept subject to reasonable rules and regulations as may be adopted by the Association so long as no household pets are boarded or maintained for any commercial purpose.

10.9 Rules and Regulations. Reasonable rules and regulations concerning the use of the development property may be made and amended from time to time by the Board of Directors of the Association in the manner provided by its Articles of Incorporation and Bylaws. Copies of such regulations and amendments thereto shall be furnished by the Association to all owners and residents of the development upon request.

11. ENFORCEMENT OF RESTRICTIONS

11.1 Building Violations. Whenever there shall have been built or there shall exist on any structure, building, thing or any condition which is in violation of these restrictions, the Developer or the Association or both shall have the right, but no obligation, to enter upon the lot where such violation is occurring and summarily abate and remove same all at the expense of such owner. The expense shall be payable by such owner to the Association or the Developer as the case may be on demand and such entry and abatement or removal shall not be deemed a trespass or make the Developer or the Association liable in any way for any damages on account thereof. In addition, the Declarant, the

Association or any other 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 the 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.

11.2 Other Violations. Any other violation of this Declaration or the Rules and Regulations of the Association may be remedied by the Association, the Declarant, or owner by injunction or any other lawful means. Additionally, the Board of Directors of the Association shall have the right to deny use of the common areas and facilities to any unit owner who continually violates any of the restrictions set forth herein or the Rules and Regulations of the Association. The Board of Directors shall have the right to set up procedures to institute reasonable fines against owners who continually violate these restrictions or the rules and regulations of the Association.

11.3 Attorneys' Fees and Costs. In the event the Association, the declarant, or any owner finds it necessary to resort to Court proceedings to enforce these restrictions, then the violating owner shall be responsible for paying the attorneys' fees and costs incurred by the Association, the Declarant, or the owner who maintains the action.

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

12. DEVELOPER'S UNITS AND PRIVILEGES

The Developer, at the time of filing this Declaration, is the owner of all of the real property, including individual lots and appurtenances comprising the development. Therefore, the Developer until all of the lots have been sold and closed, shall be irrevocably empowered, notwithstanding anything herein to the contrary, to sell, leases or rent lots and dwellings located thereon to any person approved by the Developer. Said Developer shall have the right to transact upon the development any business necessary to consummate the sale of the lots, including, but not limited to, the right to maintain models, have signs, staff employees, maintain offices, use the common elements and show the units. Any sales office, signs, fixtures or furnishings or other tangible personal property belonging to the Developer shall not be considered common elements and shall remain the property of the Developer.

13. SUBORDINATION

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

14. 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 twenty-five (25) years from the date hereof. Thereafter, they shall be automatically extended for additional periods of twenty-five (25) years unless otherwise agreed to in writing by the then owners of at least eighty percent (80%) of the unit owners.

15. AMENDMENTS TO DECLARATION

Except as provided elsewhere herein, this Declaration may be amended in the following manner:

15.1 By the Developer. Until such time as this Declaration has been recorded and a sale of a lot has occurred, the Developer shall have the right to amend the Declaration in any manner the Developer desires, provided, however, all amendments will be recorded and given to an owner prior to the owner's closing..

15.2 Notice.

15.2.1 By the Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which proposed amendment is considered.

15.2.2 Resolution of Adoption. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by members of the Association. Directors and members not present by person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, the approvals of the membership and the Board of Directors shall be as follows:

15.2.2.1 One hundred percent (100%) of the votes in the entire membership of the Board of Directors and one hundred percent (100%) votes of the entire membership of the Association shall be required to enact any amendment dealing with Section 3 hereof entitled "Easements."

15.2.2.2 All other amendments shall require a seventy-five percent (75%) vote of the membership and the Board of Directors.

15.3 Amendment to Require Developer Consent

Until the Developer has sold and conveyed all of the units in the development, any amendment must be approved and consented to by the Developer.

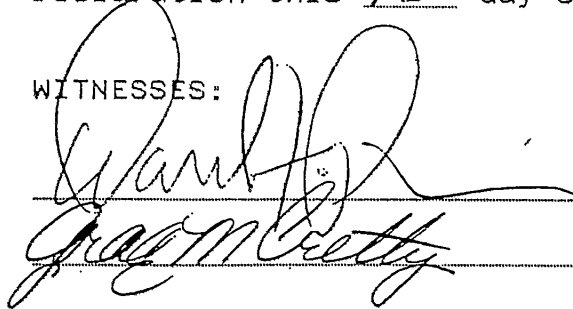
15.4 Execution and Recording

A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officer of the Association with the formalities of a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the public records of Citrus County, Florida.

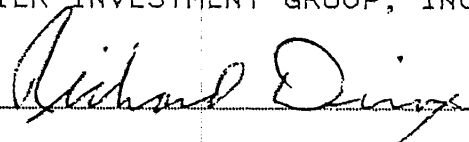
IN WITNESS WHEREOF, the Declarant, PREMIER INVESTMENT GROUP, INC., a Florida corporation, has caused the execution of this Declaration this 7th day of March, 1989.

WITNESSES:

PREMIER INVESTMENT GROUP, INC.



James M. Crotty

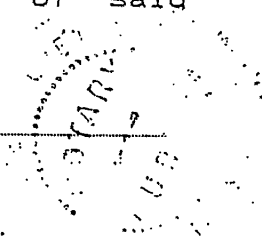
By:


Richard D. Dunge

STATE OF FLORIDA
COUNTY OF CITRUS

The foregoing instrument was acknowledged before me this 7th day of March, 1989 by Richard Dixon, of PREMIER INVESTMENT GROUP, INC., a Florida corporation, on behalf of said corporation.


Notary Public



My Commission Expires: 4-3-92

RECEIPT

The undersigned hereby acknowledges receipt of a copy of this declaration with exhibits attached thereto and agrees to comply with each and every term of this Declaration and exhibits attached thereto in the event the undersigned purchases a lot in WINDERMERE GARDEN VILLAS.

EXHIBIT "A"

A parcel of land situated in Section 7, Township 19, Range 20, Citrus County, Florida being more particularly described as follows:

Begin at the Southeast corner of Lot 5, White Lake Subdivision, Unit No. 1 as recorded in Plat Book 3 at Page 92 of the Public Records of Citrus County, Florida, said point being on the South line of said plat also being the 1/4 Section line as indicated on said plat; thence N 89 53' 08" W along said 1/4 section line a distance of 1245.52 feet to the East right-of-way of Ella Street as shown on the plat of Northside Addition to the City of Inverness as recorded in Plat Book 2, Page 11 of the Public Records of Citrus County, Florida; thence S. 00 deg. 08'55" W. along the said East right-of-way of Ella Street a distance of 980.63 feet to a point on the Northern right-of-way line of Railroad Street, said point being the most Northwesterly corner of lands described in the Official Record Book 689, Page 1014, Public Records of Citrus County, also being 50 feet from measured at right angles to the Northern right-of-way line of the A.C.L. Railroad, thence S 51 18'49" E along said North line of lands described in O.R. Book 689, page 1014 and parallel to said North line of the A.C.L. Railroad a distance of 796.61 feet to a point being the most Southwestern corner of lands described in Official Records Book 689, Page 1016, Public Records of Citrus County; thence along the Northwestern line of said lands N 44 37'10" E a distance of 600.07 feet to the most Northwestern corner of said lands; thence S 51 16'54" E a distance of 267.63 feet to a point on the Northwesterly right-of-way line of County Road No. S - 581, said point being on the arc of a curve concaved Northwesterly, having a central angle of 3 29'26", a radius of 523.69 feet a tangent of 15.96 feet a chord bearing and distance of N 01 21'20" E 31.90 feet, thence Northeasterly along the arc of said curve a distance of 31.90 feet to the Point of tangent; thence N 00 14'04" West along said right-of-way line of County Road S - 581, a distance of 1184.46 feet to the point of beginning.