AMENDMENT AND RESTATEMENT OF THE DECLARATION OF COVENANTS, CONDITIONS RESTRICTIONS AND EASEMENTS FOR CITRUS HILLS FIRST AND SECOND ADDITION

Recorded 8/15/96, Book 1145, Pages 1852-1878

This is a restatement of the Covenants as amended through August 1, 1996, and as modified in the year 2003.

THIS DECLARATION is made this 17th day of March, 1982, by CITRUS HILLS INVESTMENT PROPERTIES, a Florida General Partnership, the property owners holding title to the property described in Article II, Section 1 hereof, which declares that the real property described in Article II, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") set forth below.


Disclosure Summary for Citrus Hills First and Second Additions:

- Purchasers of property in Citrus Hills First and Second Additions will be obligated to be a member of the Citrus Hills Property Owners Association.

- There have been recorded restrictive covenants governing the use and occupancy of properties within Citrus Hills First and Second Additions.

- Property Owners are obligated to pay assessments to the Citrus Hills Property Owners Association, which are subject to periodic change.

- Failure to pay assessments would result in a lien on the property.

- The restrictive covenants can be amended as stipulated in Article X, Section 5.

- The statements contained in the Disclosure Summary are only summary in nature, and all prospective property purchasers should refer to the Declaration of Covenants, Conditions, Restrictions and Easements for Citrus Hills First and Second Additions.

Exhibit A
ARTICLE I
DEFINITIONS

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

(a) The term "Association" shall mean and refer to the CITRUS HILLS PROPERTY OWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, its successors or assigns.

(b) The term "Architectural Control Board" or "ACB" shall mean and refer to the Architectural Control Board as created in Article VI herein.

(c) The term "residential lot(s)" shall mean and refer to any parcel of land located within the Properties, regardless of size, shown upon the recorded subdivision Plat of the Properties.

(d) The term "lot(s)" shall mean and refer to a residential lot, regardless of size, as the context would require.

(e) The term "unimproved lot" shall mean and refer to a lot upon which construction of a residential structure has not, in the opinion of the Architectural Control Board, been substantially completed.

(f) The term "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or the purchaser under an agreement for deed.

(g) The term "member" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1 hereof.

(h) The term "declarant" shall mean and refer to CITRUS HILLS INVESTMENT PROPERTIES, a Florida General Partnership, and its successors and assigns.

(i) The term "utility" shall mean and refer to any public or private organization furnishing a service, such as water, sewer, electricity, gas or television cable to the properties.

(j) The term "living space" shall mean and refer to an area covered by a roof and enclosed by walls and shall not include patios, garages, pool cages and the like.
ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION
ADDITIONS THERETO

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

Citrus Hills First Addition

Plat Book 9, Pages 73-83, inclusive, of the Public Records of Citrus County, as recorded June 5, 1973, less and except: lots 1-20 of Block 9; lot 20 of Block 10; lots 4,5,6 of Block 11; all of Block 12; all of Block 13; lots 19-28 of Block 15; all of Block 26; lots 1-28 of Block 27; lots 1,2,3 of Block 36 and lots 1,2,3,15,16 of Block 40 as recorded in Book 1007 Page 1392 on November 17, 1993.

Citrus Hills Second Addition

Plat Book 12, Pages 18 and 19 of the Public Records of Citrus County as recorded July 22, 1981.

All of the real property hereinabove described shall sometimes be referred to herein as the "Properties", "Property" or "Existing Property." Declarant may from time to time bring other land under the provisions hereof by recorded supplemental declarations. The supplemental declarations may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary and convenient in the judgment of the declarant to reflect the different character, if any, of the added properties but such modification shall have no effect on the Property described in this Section.

Section 2. Merger or Consolidation. Upon a merger or consolidation of the Association with any other association as provided in its articles of incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or alternatively, the properties, rights and obligations of any association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Properties together with the covenants and restrictions established upon any other property as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by the Declaration within the Properties.
ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every Owner of Property as defined in the Declaration, with the exception of all of blocks 14 and 15 of Citrus Hill First Addition, shall be a member of the Association.

Section 2. Voting Rights. Each member shall have the following voting rights.

(a) Owners of residential lots shall be entitled to one vote for each residential lot owned.

(b) Declarant shall have the right to elect one (1) member of the Board of Directors until such time as declarant no longer holds the title to any portion of the Properties.

ARTICLE IV
MAINTENANCE OF PUBLIC RIGHT-OF-WAYS

The Association may maintain, repair and replace the public right-of-ways and appurtenances thereto located in the Properties including but not limited to landscaping, paving, drainage, as well as street lighting and security. The Association shall maintain, repair and replace those certain public right-of-ways and appurtenances thereto described in Exhibit "E", at or above the standards set forth in Exhibit "E", attached hereto. All work pursuant to this Article shall be paid for through assessments imposed in accordance with Article V hereof.

ARTICLE V
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of the Assessments. The declarant covenants, and each Owner of any lot or unit, with the exception of all of blocks 14 and 15 of Citrus Hills First Addition, shall by acceptance of a deed (or an Agreement for Deed) therefor, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments ("Annual Assessments"); and, (2) special assessments ("Special Assessments"), such Annual and Special Assessments to be established and collected as hereinafter provided.

Section 2. Purposes of Assessments. The assessments levied by the Association shall be used exclusively for the improvement and maintenance of property within Citrus Hills First and Second Additions, including public right-of-ways located within Citrus Hills (to the extent not provided by municipal, county and state government), for the staff and expenses of the ACB, for the enforcement of the restrictions hereby imposed, for security services to the Properties (such security services are provided
only as a means of supplementing governmental agencies, and expressly are not provided as a guarantee of safety or security to the members or their guests), for creating reasonable reserves, and for such services which the Association may otherwise be authorized to provide.

Section 3. Basis and Maximum for Annual Assessments. Except as otherwise provided herein, the Annual Assessments shall not be more than the sums calculated in accordance with the following schedule:

Each lot $120

Assessments charged by the Association shall be rounded off to the nearest dollar.

The maximum annual assessment when imposed may not be increased above ten percent (10%) annually by the Board of Directors of the Association, except by a majority vote of the Association members who are voting in person and/or by proxy at a meeting duly called for that purpose.

Special Assessments may be imposed only upon a majority vote of the members who are voting in person and/or by proxy at a meeting duly called for that purpose. The purpose of such Special Assessments may be those described in Section 2. of this Article, or any purpose described in the Articles of Incorporation of the Citrus Hills Property Owners Association.

Section 4. Notice and Quorum for any Action Authorized Under Section 3. (Basis and Maximum for Annual Assessments.) Written notice of any meeting called for the purpose of levying an Annual or Special Assessment shall be sent to all members not less than thirty (30) days or more than (60) days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast thirty percent (30%) of all votes of the membership of the Association shall constitute a quorum, however, on or after January 1, 2006, this shall be automatically reduced to twenty percent (20%). If the required quorum is not present, another meeting may be called, at the Board’s discretion, not be held more than 60 days following the previous meeting date, subject to the same notice requirement, and the required quorum at the subsequent meeting shall be seventeen and one-half percent (17 1/2%) of all votes of the membership of the Association.

Section 5. The Board of Directors shall fix the amount of the Annual Assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the Annual Assessment will be sent to every owner. The due dates and time for payment may be monthly, quarterly, semi-annually, or annually shall be established by the Board of Directors. Persons acquiring lots from declarant or its successors or assigns shall be subject to pay the prorata share of the Annual Assessment imposed on the lot. Certification relative to paid or unpaid assessments may be obtained from the Association.
Section 6. Collection of Assessment; Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; The Lien; Remedies of the Association. The Association shall collect assessments directly from the Owners. If the assessments are not paid on the date when due, then such assessments shall become delinquent and shall, together with such interest thereon and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the lot against which each such Assessment was made. Notwithstanding the preceding sentence, any individual who acquires title to a lot upon the death of an Owner or by operations of law shall be personally liable for unpaid assessment; with respect to such lot.

If the Assessment is not paid within thirty (30) days after the due date, the Assessment shall bear interest from the date when due at the highest rate permitted by law, not to exceed fifteen (15) percent annually, and the Association may bring action at law against the Owner personally obligated to pay the same or may record a claim of lien against the lot on which the assessment is unpaid, or may foreclose the lien against the lot on which assessment is unpaid, or pursue one or more of such remedies at the same time or successively, and there shall be added to the amount of such assessment, attorney's fees and cost of preparing and filing the claim of lien, the complaint in such action and suit thereon, including any appeals.

It shall be the legal duty and responsibility of the Association to enforce payment of the assessments hereunder.

Section 7. Subordination of the Lien to Mortgages. The lien of the Assessment provided for in the Article V shall be subordinate to the lien of any institutional first mortgage recorded prior to the recordation of a claim of lien for unpaid assessments, and shall be subordinate to the declarant's position as mortgagee by virtue of declarant's land sales transactions by (a) agreement for deed, (b) mortgage deed, and ©deed, note and mortgage. An institutional lender is defined as a State or Federal Bank or savings and loan association, an insurance company, trust company, savings bank or credit union. A mortgagee in possession, a receiver, a purchaser at a foreclosure sale, or a mortgagee, including the declarant (who is in a mortgagee position by virtue of its land sales transactions by (a) agreement for deed, (b) mortgage deed, and © deed, note and mortgage), that has acquired title by deed in lieu of foreclosure, cancellation or other termination of interest, and all persons claiming by, through or under such purchaser or mortgagee shall hold title subject only to the liability and lien of any assessment becoming due after such foreclosure, conveyance in lieu of foreclosure, cancellation or other termination of interest. Any unpaid assessment which cannot be collected as a lien against any lot by reason of the provision of this Section 7, shall be deemed to be an assessment divided equally among, payable by, and a lien against all lots including the lot as to which the foreclosure (or conveyance in lieu of foreclosure) took place.
Section 8. Effect on Declarant. Notwithstanding any provision that may be contained to the contrary in this instrument, for so long as declarant is the owner of any lot, the declarant shall not be liable for Assessments against such lot provided that declarant funds any deficit in operating expenses of the Association. Declarant may, at any time, commence paying such assessments as to lots that it owns thereby automatically terminating its obligation to fund deficits in the operating expenses of the Association.

Section 9. Reserve Funds. The portion of all assessments collected by the Association for reserves for future expenses, shall be held by the Association for the Owners.