

- A. Impose a fine against the OWNER or tenant as provided in Section 10 hereof; and/or
- B. Commence an action to enforce the performance on the part of the OWNER or tenant, or for such equitable relief as may be necessary under the circumstances, including injunctive relief; and/or
- C. Commence an action to recover damages; and/or
- D. Take any and all actions reasonably necessary to correct such failure, which action may include, where applicable, but is not limited to, removing any addition, alteration, improvement or change which has not been approved by the ASSOCIATION, or performing any maintenance required to be performed by this DECLARATION.

All expenses incurred by the ASSOCIATION in connection with the correction of any failure, plus a service charge of ten (10%) percent of such expenses, and all expenses incurred by the ASSOCIATION in connection with any legal proceedings to enforce this DECLARATION, including reasonable attorneys' fees, shall be assessed against the applicable OWNER, and shall be due upon written demand by the ASSOCIATION. The ASSOCIATION shall have a lien for any such ASSESSMENT and any interest, costs or expenses associated therewith, including attorneys' fees incurred in connection with such ASSESSMENT, and may take such action to collect such ASSESSMENT or foreclose said lien as in the case and in the manner of any other ASSESSMENT as provided above. Any such lien shall only be effective from and after the recording of a claim of lien in the public records of the County in which the PROJECT is located.

Section 10. FINES. The amount of any fine shall be determined by the BOARD, and shall not exceed Twenty-five (\$25.00) Dollars for the first offense, Fifty (\$50.00) Dollars for a second similar offense, and Seventy-five (\$75.00) Dollars for a third or a subsequent similar offense. Any fine shall be imposed by written notice to the OWNER or tenant, signed by an officer of the ASSOCIATION, which shall state the amount of the fine, the violation for which the fine is imposed, and shall specifically state that the OWNER or tenant has the right to contest the fine by delivering written notice to the ASSOCIATION within 10 days after receipt of the notice imposing the fine. If the OWNER or tenant timely and properly objects to the fine, the BOARD shall conduct a hearing within 30 days after receipt of the OWNER's or tenant's objection, and shall give the OWNER or tenant not less than 10 days written notice of the hearing date. At the hearing, the BOARD shall conduct a reasonable inquiry to determine whether the alleged violation in fact occurred, and that the fine imposed is appropriate. The OWNER or tenant shall have the right to attend the hearing and produce evidence on his behalf. At the hearing the BOARD shall ratify, reduce or eliminate the fine and shall give the OWNER or tenant written notice of its decision. Any fine levied against an OWNER shall be deemed an ASSESSMENT, and if not paid when due all of the provisions of this DECLARATION relating to the late payment of ASSESSMENTS shall be applicable.

Section 11. RESPONSIBILITY OF AN OWNER FOR OCCUPANTS, TENANTS, GUESTS AND INVITEES. Each OWNER shall be responsible for the acts and omissions, whether negligent or willful, of any person residing in his UNIT, and for all guests and invitees of the OWNER or any such resident, and in the event the acts or omissions of any of the foregoing or the OWNER shall result in any damage to the COMMON OPEN SPACE, or any liability to the ASSOCIATION, the OWNER shall be assessed for same as in the case of any other ASSESSMENT, limited where applicable to the extent that the expense or liability is not met by the proceeds of insurance carried by the ASSOCIATION. Furthermore, any violation of any of the provisions of this DECLARATION, of the ARTICLES, or the BY-LAWS, by any resident of any UNIT, or any guest or invitee of an OWNER or any resident of a UNIT, shall also be deemed a violation by the OWNER, and shall subject the OWNER to the same liability as if such violation was that of the OWNER.

ARTICLE VII
ANNEXATION

Section 1. ANNEXATION AND DEVELOPMENT. Additional property which is legally described in Exhibit "2" attached hereto may be annexed by the DEVELOPER in whole or in part without the consent of members within five (5)

years of the date of this instrument, provided that the ANNEXATION is in accordance with the GENERAL PLAN OF DEVELOPMENT heretofore approved by the Federal Housing Administration or the Veterans Administration. Such ANNEXATIONS, if they are made, will subject the annexed property to these Covenants and Restrictions.

ANNEXATIONS, if any, shall become effective upon the recording of an amendment to this Declaration in the Public Records of the County.

Section 2. ADDITIONS OR MODIFICATIONS. Such amendments to the DECLARATION, as contemplated by Section 1 of this Article VII, may contain such complementary additions and modifications of this DECLARATION as may be necessary to reflect the different character, if any, of that portion of the PROJECT or the UNDEVELOPED PARCEL which are the subject of such amendments to the DECLARATION as are not inconsistent with the scheme of this DECLARATION, as determined by the DEVELOPER. Further, such amendments to the DECLARATION may contain provisions relating to such portion of the PROJECT and/or such UNDEVELOPED PARCEL, or any portions thereof, dealing with, among other things, assessments and the basis thereof, rules and regulations, architectural controls and other provisions consistent with the nature of the development of such PROJECT and pertaining to all or part of such portion and/or such UNDEVELOPED PARCEL to the exclusion of other portions of the PROJECT.

The provisions of this Article VII, Section 2, cannot be amended without the written consent of the DEVELOPER, and any amendment of this Article VII, Section 2, without the written consent of the DEVELOPER shall be deemed null and void.

Section 3. OTHER ANNEXATION OF PROPERTY. Except as set forth in Section 1 above, residential property, common areas and recreational facilities may be annexed to the property with the consent of two-thirds (2/3) of each class of members of the ASSOCIATION. Such ANNEXATION shall become effective upon the recording of an amendment to this Declaration in the Public Records of the County.

ARTICLE VIII PLATTING AND SUBDIVISION RESTRICTIONS

As long as there is a Class "B" membership, Developer shall be entitled at any time and from time to time, to plat and/or replat all or any part of the PROJECT, and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portion(s) of the PROJECT without the consent or approval of LOT OWNERS.

ARTICLE IX ARCHITECTURAL CONTROL

Section 1. APPROVAL. No building, fence, wall or other structure shall be commenced, erected or maintained upon the properties nor shall any exterior addition or change or alteration therein, including a change of the building exterior paint color, be made within the individual's lot line or property line until the plan and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to the harmony of external design and location in relation to the surrounding structures and topography by the BOARD, or by an architectural control committee composed of three (3) or more representatives appointed by the BOARD ("Committee"). In the event said BOARD or its designated Committee fails to approve or disapprove such design and location within thirty (30) days after said plan and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Nothing contained herein shall relieve the OWNER from the responsibility of obtaining proper governmental approvals and permits.

Section 2. NO LIABILITY. The ASSOCIATION or the designated Committee shall not be liable to any OWNER in connection with the exercise or non-exercise of architectural control hereunder, or the approval or disapproval of any alteration, addition, improvement, or change. Furthermore, any approval of any plans or specifications by the ASSOCIATION or its designated Committee shall not be deemed to be a determination that such plans or specifications or complete or do not contain defects, or in fact meet any standards, guidelines and/or criteria of the ASSOCIATION, or are in fact