

KEY PROVISIONS OF THE DECLARATION OF RESTRICTIVE COVENANTS FOR
EASTBROOKE VILLAS

Maximum Annual Assessment.

Two-Bedroom Unit: \$50.00/month
Three Bedroom Unit: \$55.00/month

The maximum annual assessment may be increased by no more than ten percent (10%) a year by the Board of Directors. The annual assessment may be increased more than ten percent (10%) upon a vote of the Owners to whom sixty-seven percent (67%) or more of the Association's votes have been assigned who are voting in person or by proxy, at a meeting duly called for such purpose. The limitations in the increase in the annual Assessments herein shall not apply to any change in the maximum amount of the Assessments undertaken as an incident to (1) a merger or consolidation in which the Association is authorized by law to participate, (2) as an incident to any additions to the Community or submission of additional property, or (3) in connection with the addition of Recreational Facilities for the Community.

Initial Reserve Payment

Two-Bedroom Unit: \$100.00 one-time fee payable at Closing
Three-Bedroom Unit: \$110.00 one-time fee payable at Closing of equal to two (2)

Insurance Assessment

If needed, the Board may charge an annual assessment of One Hundred Fifty and no/100 (\$150.00) Dollars to each Owner to cover the costs of insurance. The insurance assessment may be increased each year by not more than ten percent (10%) of the insurance assessment for the previous year unless the Unit Owners to whom sixty-seven percent (67%) or more of the Association's votes have been assigned who are voting in person or by proxy, at a meeting duly called for such purpose vote to do so.

Lot Restrictions

Residential Use. All Lots and Improved Lots shall be used exclusively for residential purposes, excluding models or sales office temporarily set up by the Declarant for the marketing of the Community. Any lease or rental agreement for a Lot or Improved Lot shall be in writing and for a period of at least thirty (30) days, unless the prior written approval of the Board of Directors is obtained. Such leases shall provide that the terms of the lease are subject to the provisions of this Declaration, the Articles of Incorporation, the Bylaws and the rules and regulations of the Association, and that any failure by the lessee to comply with the terms of such documents shall be a default under the terms of the lease. The Board of Directors shall be furnished with a copy of all leases. No Owner shall permit the use of his Lot or Improved Lot for transient hotel or commercial purposes.

Corporate Ownership of Lot or Improved Lot. Corporations, partnerships, or limited liability companies, other than the Declarant, shall permit the use of a Lot or Improved Lot owned by it only by its principal officers, directors, members, or partners, or other guests or lessees. Such Owner shall annually sign and deliver to the Association a written statement designating the name of the party (or parties) entitled to use such Lot or Improved Lot, together with a written

covenant of such party in favor of the Association whereby the party agrees to comply with the terms and provisions of this Declaration and with the rules and regulations which may be promulgated by the Association from time to time and acknowledging that the party's right to use such Lot or Improved Lot shall exist only so long as the corporation, partnership or limited liability company shall continue to be a member of the Association. Upon demand by the Association to such Owner to remove a party for failure to comply with the terms and provisions of this Declaration and/or the rules and regulations of the Association, the Owner shall forthwith cause such party to be removed, failing which, the Association, as agent of the Owner, may take such action as it may deem appropriate to accomplish such removal, and all such action by the Association shall be at the cost and expense of the Owner who shall reimburse the Association therefor upon demand, together with such attorneys' fees, as the Association may have incurred in the process of removal.

Temporary Structures. No structure of a temporary character, trailer, tent, shack, carport, or other building shall be used as a dwelling on any portion of the Lot, Improved Lot or Common Area at any time, either temporarily or permanently.

Nuisance. No Owner shall use, permit or allow his/her Lot or Improved Lot to be used for any immoral, improper, offensive or unlawful purpose nor shall any Owner permit or allow any nuisance or other activity to be conducted in any Lot or Improved Lot which would be a source of annoyance or interfere with the peaceful possession, enjoyment and use of the Community by other Owners.

Insurance Risk. No Owner shall permit anything to be done or kept in his/her Lot or Improved Lot or on the Common Area which will increase the rate of insurance on the Lot or Improved Lot and/or the Common Area.

Pets.

(1) No Owner shall willfully or negligently permit any dog or similar pet who belongs to such Owner, his family members or guests, to run at large within the Common Area unless the dog or similar pet is under control of the Owner, a family member or guest by means of a leash or other similar restraining device. Further, the Owner shall be responsible for picking up and disposing of the feces of such dog or similar animal which are deposited in any Common Area, Lot or Improved Lot.

(2) No pet is to be left on a balcony, porch or patio unless supervised by an occupant unless it is enclosed in a kennel, pet carrier, or cage.

Obstructions of Common Area. The sidewalks, entrances, passages and parking areas shall not be obstructed or encumbered or used in any manner which would prohibit ingress and egress to or from any Lot or Improved Lot or to or from the Common Area.

Garbage. All garbage and refuse shall be placed and deposited upon the Common Area only in specified locations and only in such containers as shall be authorized by the Board of Directors.

Signs. No signs, advertisements, or other notices shall be inscribed or exposed on or at any window or any part of the Common Area without the prior written consent of the Board of Directors except "For Sale" signs of not more than twelve (12) inches by twelve (12) inches and no more than one may be posted.

Awnings, Satellite Dishes and Antennas. No awnings or other projections shall be placed upon or attached to or hung from the exterior of any Lot or Improved Lot or any Common Area, without the prior written approval of the Board of Directors. Notwithstanding anything contained herein to the contrary, an Owner may place a maximum of one (1) satellite dish, not to exceed twenty eight inches (28") in diameter, or antenna on the porch or patio attached to his Lot or Improved Lot without obtaining the prior approval of the Association. If a Owner cannot place a satellite dish or antenna on his porch or patio, the Owner can mount a maximum of one (1) satellite dish or antenna on a post adjacent to the exterior wall of his Lot or Improved Lot, which post shall be screened from view on all sides and appropriately landscaped as determined in the sole discretion of the Association.

Leases. An Owner may lease all of his Lot or Improved Lot, provided that the lease is made subject to all the terms and conditions of this Declaration and Bylaws attached hereto and provided further that the Owner shall remain primarily responsible for all the terms and conditions and provisions of this Declaration and the Bylaws.

Parking. Each Owner, his family members and visitors shall use the on-site parking located on said Owner's Lot to park their vehicles and shall not routinely park vehicles on any public or private street in the Community except under special circumstances such as social functions, meetings, and similar functions held at the Dwelling Unit. At no time shall motorcycles, dirt bikes, boats, trailers, campers or other recreational vehicles (collectively, "Recreational Vehicles") be parked on the Owner's Lot (except in the Owner's garage), the Owner's driveway, within the Common Areas, or on any public or private street in the Community. Notwithstanding anything contained in this Section 5.12 to the contrary, an Owner may temporarily park such Recreational Vehicles on his Lot or driveway for loading purposes only for a period not to exceed twenty-four (24) hours.

Other Regulations. Each Owner shall be subject to such other reasonable regulations concerning the use of the Common Areas may be made and amended from time to time by the Board of Directors.

The expenses of the Association under this Section shall be a Common Expense, borne equally by all Owners in the Community.