

such maintenance, repair or construction is necessitated by the negligent or willful acts of an Owner or such Owner's Lessees, guests, or invitees.

10.6 Right of Entry. The Declarant, the Association and the Master Association are granted a perpetual and irrevocable easement over, under and across all of Celebration Pointe Townhomes for the purposes herein expressed, including, without limitation, for inspections to ascertain compliance with the provisions of this Declaration, and for the performance of any maintenance, alteration or repair which they are entitled to perform. Without limiting the foregoing, the Declarant, specifically reserves easements for all purposes necessary to comply with any governmental requirement or to satisfy any condition that is a prerequisite for a governmental approval. By way of example, and not of limitation, the Declarant may construct, maintain, repair, alter, replace and/or remove improvements, install landscaping, install utilities, and/or remove structures on any portion of Celebration Pointe Townhomes if the Declarant is required to do so in order to obtain the release of any bond posted with any governmental agency.

10.7 Intentionally Omitted.

10.8 Master Association Property. The Master Association may contract with the Association for the maintenance, repair, and replacement of any property and/or facilities governed by the Master Declaration in the Master Association's sole and absolute discretion subject to any written agreement accepted by the Association.

10.9 Right-of-Way. Except as otherwise maintained by the Master Association, the Association shall be responsible for the costs, charges and expenses incurred in connection with maintenance of the community sidewalks, irrigation facilities, trees and landscaping located in the public right-of-way adjacent to any Common Areas and Lots (if any). Each Owner agrees to reimburse the Association any expense incurred in repairing any damage to trees or landscaping caused by such Owner's negligent or willful acts. Failure of an Owner to reimburse the Association any costs necessitated by the negligent or willful acts of an Owner shall subject the Owner to an Individual Assessment for such costs. The cost associated with any such maintenance of the trees and landscaping located in the public right-of-way adjacent to any Common Areas and Lots (if any), shall be deemed part of the Operating Expenses and each Owner shall pay an equal share of such costs.

10.10 Paved or Concrete Surfaces in Driveways. The Association shall be responsible for the costs, charges and expenses incurred in connection with maintenance and repair of all paved and concrete surfaces within driveways located within the Common Areas and Lots; however, each Owner agrees to reimburse the Association any expense incurred in repairing any damage to such paved or concrete surfaces in the event that such Owner's negligent or willful acts caused such damage to any paved or concrete surfaces. Failure of an Owner to reimburse the Association any costs necessitated by the negligent or willful acts of an Owner shall subject the Owner to an Individual Assessment for such costs.

10.11 Home Maintenance. The Association shall be responsible for the following to be performed at the Board's discretion and on such intervals as the Board may decide in its sole and absolute discretion:

10.11.1 Painting. The Association shall paint all exterior painted portions of Homes, including any exterior walls of a garage, garage door, exterior doors, shutters, and fascia, to be performed at the Board's discretion and on such intervals as the Board may decide in its sole and absolute discretion. The cost associated with such exterior painting made in accordance with this Section 10.11.1 shall constitute a part of the Operating Expenses and/or Reserves at the Board's sole discretion for which Assessments shall be levied, and each Owner shall pay an equal share of such costs. The Association shall have no responsibility to repair damage to paint caused by an Owner or due to an Owner's negligence. In the event any exterior painting on a Home is damaged by an Owner or due to an Owner's negligence, then the Owner shall be responsible for the repair of such painting at the Owner's sole cost and expense, and the Association may, but shall not be obligated to, repair such painting and the costs and expenses of such repairs shall be assessed against the respective Lot as an Individual Assessment. In the event that (i) an Owner desires to paint its Home in addition to, or at intervals more frequently than, the Association's painting of such Home as provided herein, or (ii) an Owner is responsible for painting an exterior portion of its Home due to damage to paint caused by an Owner or an Owner's negligence, or as required by Section 11.5 below, then any such proposed painting by the Owner shall be subject to ACC approval. If the proposed painting by an Owner is approved by the ACC, the ACC shall have the right to impose such conditions on such Owner as it deems reasonably appropriate. The conditions shall, at a minimum, include the following:

10.11.1.1 all work and materials shall be at the Owner's sole cost and expense;

10.11.1.2 all color selections shall be approved by the ACC and must be the same or substantially similar to the other Homes attached to the Home;

10.11.1.3 the painting project must include an entire elevation of the Home (i.e. the entire side of the Home, etc.); and

10.11.1.4 if the Association thereafter paints the Home and the other Homes attached to the Home in accordance with this Section 10.11.1, the Home shall be included as part of the painting project, and the cost associated with such painting project shall constitute a part of the Operating Expenses and/or Reserves at the Board's sole discretion for which Assessments shall be levied, and each Owner of a Lot shall pay an equal share of such costs.

10.11.2 Roofs and Gutters. The Association shall repair and replace roofs of Homes, including shingles, and roof decking; however, the Association shall have no obligation to repair or replace roof trusses or other structural components of the roof. The Association shall conduct routine maintenance of roof gutters (if any) of Homes, including clearing, repair and ensuring the proper functioning of such gutters. The cost associated with any such roof or gutter maintenance, repair and replacement shall constitute a part of the Operating Expenses and/or Reserves at the Board's sole discretion, and each Owner shall pay an equal share of such costs.

10.11.3 Termite Program. The Association may, in its sole discretion, contract with a licensed termite company to provide a termite warranty program for Homes. The cost associated with any such programs shall constitute a part of the Operating Expenses and/or Reserves at the Board's sole discretion and each Owner of a Lot shall pay an equal share of such costs.

10.11.4 Pressure Washing. The Association may, in its sole discretion, pressure clean the roofs and the exterior portions of Homes, including any exterior walls of a garage, garage door, exterior doors, shutters, and fascia. The cost associated with exterior pressure cleaning and made in accordance with this Section 10.11.4 shall

constitute a part of the Operating Expenses and/or Reserves at the Board's sole discretion for which Assessments shall be levied, and each Owner shall pay an equal share of such costs.

Notwithstanding anything to the contrary herein, to the extent insurance coverage required by Section 14.2 of this Declaration covers repairs or replacements otherwise performed by the Association

under this Section 10.11, or would have covered such repairs or replacements if the Owner had procured such coverage, such repairs or replacements shall be governed by Section 14.2 herein, and the Association shall not perform repairs or replacements covered by insurance or any other activities that would negate such coverage or impair the availability of such coverage.

10.12 Drainage Improvements. The Master Association shall be solely responsible for drainage systems and facilities, which may be comprised of swales, pipes, pumps, retention/detention area slopes, drainage easements, or other improvements (the "Drainage Improvements"), and which may be located within Common Areas or Lots and such Drainage Improvements are considered part of the SWMS. The Master Association shall be responsible for routine maintenance and shall ensure functionality of the approved designed drainage patterns inclusive of all easements, swales, buffers and vegetative areas at all times. Should any area of drainage pattern demonstrate a pooling or flooding effect, the Master Association shall be responsible to rectify the drainage pattern to its original intended design and any and all costs associated with such repairs shall be payable by all Owners as part of the Master Association's maintenance assessments.

11. Maintenance by Owners. To the extent not the responsibility of the Association or the Master Association, all Lots and Homes, including, without limitation, all lawns, landscaping, irrigation systems, driveways, walkways and any property, all structural components comprising the Lot or Home, improvements and appurtenances shall be well maintained and kept in first class, good, safe, clean, neat and attractive condition consistent with the general appearance of Celebration Pointe Townhomes by the record title owner of the applicable Lot. No tree installed by the Declarant on any Lot shall be felled, removed, or cut down unless such tree represents a hazard to the Home or other improvements on the Lot, or to persons occupying or utilizing Celebration Pointe Townhomes. If any such tree dies, such tree shall be replaced by the Owner of the Lot upon which the tree was located, at the Owner's expense, by a similar tree of similar size in diameter, unless otherwise approved by the ACC. No other objects or landscaping may be installed in place of any such trees. In the event Lots and Homes are not maintained by the record title owner of the Lot in accordance with the requirements of this Section 11, the Association may, but shall not be obligated to, perform the maintenance obligations on behalf of the record title owner.

11.1 Right of the Association to Enforce. The Declarant hereby grants the Association an easement over each Lot for the purpose of ensuring compliance with the requirements of this Section 11. In the event an Owner does not comply with this Section 11, the Association may perform the necessary maintenance and charge the costs thereof to the non-complying Owner as an Individual Assessment. The Association shall have the right to enforce this Section 11 by all necessary legal action. In the event the Association is the prevailing party with respect to any litigation respecting the enforcement of compliance with this Section 11, it shall be entitled to recover all of its attorneys' fees and paraprofessional fees, and costs, at trial and upon appeal.

11.2 Modification of Landscaped Areas. Without the prior written consent of the ACC, no sod, topsoil, tree, shrubbery or other landscaping shall be removed from Celebration Pointe Townhomes and there shall be no change in the plant landscaping, elevation, condition of the soil or the level of the land of such areas which results in any change in the flow and drainage of surface water which the ACC, in its sole discretion, considers detrimental or potentially detrimental to person or property. Notwithstanding the foregoing, Owners who install improvements to the Lot (including, without limitation, concrete or brick pavers) that result in any change in the flow and/or drainage of surface water shall be responsible for all of the costs of drainage problems resulting from such improvement. Further, in the event that such Owner fails to pay for such required repairs, each Owner agrees to reimburse the Association or the Master Association as applicable, for all expenses incurred in fixing such drainage problems including, without limitation, removing excess water and/or repairing the SWMS. No landscape lighting shall be installed by an Owner without the prior written approval of the ACC.

11.3 Weeds and Refuse. No weeds, underbrush, or other unsightly growth shall be permitted to be grown or remain upon any Lot. No refuse or unsightly objects shall be allowed to be placed or allowed to remain upon any Lot.

11.4 Exterior Home Maintenance. Each Owner is solely responsible for the proper maintenance

and cleaning of the exterior walls of his or her Home. Exterior walls may be improved with a finish material composed of stucco or cementitious coating (collectively, "**Stucco/Cementitious Finish**"). While Stucco/Cementitious Finish is high in compressive or impact strength, it is not of sufficient tensile

strength to resist building movement. It is the nature of Stucco/Cementitious Finish to experience some cracking and it will expand and contract in response to temperature, sometimes creating minor hairline cracks in the outer layer of the stucco application. This is normal behavior and considered a routine maintenance item for the Owner. Each Owner is responsible to inspect the Stucco/Cementitious Finish to the exterior walls for cracking and engage a qualified professional to seal those cracks and repair the affected area. In addition, each Owner is responsible for inspecting the exterior paint and caulk material in the exterior wall system openings (i.e. windows, doors, hose bibs, etc.) for peeling, cracking or separating. If the inspection reveals any such items, the Owner is responsible for engaging a qualified professional to clean, repair, re-caulk and repaint those areas of the Home. Each Owner is responsible for all maintenance and repairs described in this Section 11, and they should be completed in a timely fashion to prevent any damage to the Home.

11.5 Paved and Concrete Surfaces. Each Owner shall be responsible to timely maintain, pressure wash, repair and/or replace the driveways, walkways and sidewalks, including, without limitation, any concrete or brick pavers, and other paved and concrete surfaces comprising part of such Owner's Lot. Further, each Owner shall be responsible to timely maintain, pressure wash, repair and/or replace the driveways, walkways and sidewalks located in any right-of-way adjacent to such Owner's Lot (if any). In the event the County or any of its subdivisions, agencies, and/or divisions must remove any portion of the paved or concrete surfaces located within an Owner's Lot or the Owner's Right-of-Way adjacent to such Lot, for the installation, repair, replacement or maintenance of utilities or water mains, then the Owner of the applicable Lot will be responsible to replace or repair the paved or concrete surfaces at such Owner's expense. In the event an Owner does not comply with this Section, the Association may, but shall not be obligated to, perform the necessary maintenance and/or repair and charge the costs thereof, together with interest at the highest rate allowed by law, to the non-complying Owner as an Individual Assessment. In the event the Association is the prevailing party with respect to any litigation respecting the enforcement of compliance with this Section, it shall be entitled to recover all of its attorneys' fees and paraprofessional fees, and costs, at trial and upon appeal. Further, each Owner agrees to reimburse the Association for any expense incurred by the Association in connection with any damage to any sidewalk, driveway or walkway caused by such Owner's negligence. Each Owner grants the Association and the District an easement over its Lot for the purpose of ensuring compliance with the requirements of this Section.

11.6 Water Intrusion. Florida experiences heavy rainfall and humidity on a regular basis. Each Owner is responsible for making sure his or her Home remains watertight including, without limitation, checking caulking around windows and seals on doors. Each Owner acknowledges that running air conditioning machinery with windows and/or doors open in humid conditions can result in condensation, mold and/or water intrusion. The Declarant, the District, the Master Association and the Association shall not have liability under such circumstances for any damage or loss that an Owner may incur in the event an Owner fails to maintain their Home in accordance with this provision. **FURTHER, GIVEN THE CLIMATE AND HUMID CONDITIONS IN FLORIDA, MOLDS, MILDEW, TOXINS AND FUNGI MAY EXIST AND/OR DEVELOP WITHIN HOMES. EACH OWNER IS HEREBY ADVISED THAT CERTAIN MOLDS, MILDEW, TOXINS AND/OR FUNGI MAY BE, OR IF ALLOWED TO REMAIN FOR A SUFFICIENT PERIOD MAY BECOME, TOXIC AND POTENTIALLY POSE A HEALTH RISK. BY ACQUIRING TITLE TO A HOME AND/OR LOT, EACH OWNER, SHALL BE DEEMED TO HAVE ASSUMED THE RISKS ASSOCIATED WITH MOLDS, MILDEW, TOXINS AND/OR FUNGI AND TO HAVE RELEASED THE DECLARANT, THE DISTRICT AND THE ASSOCIATION FROM ANY AND ALL LIABILITY RESULTING FROM SAME.**

11.7 Water Mains and Improvements within Lots. In the event the County, the District or any of their subdivisions, agencies, and/or divisions must remove or damage any portion of a driveway, landscaping, or other improvements located on an Owner's Lot in connection with the County's operation, maintenance or repair of any water line or sanitary sewer line, if applicable, then the Owner of the Lot upon which such driveway, landscaping, or other improvements are located shall be responsible to replace or repair such driveway, landscaping, or other improvement at such Owner's expense, if such expenses are not paid for by the County or the District. In the event an Owner does not comply with this Section, the Association may, but shall not be obligated to, perform the necessary repair and/or

replacement and charge the costs thereof to the non-complying Owner as an Individual Assessment. In the event the Association is the prevailing party with respect to any litigation respecting the enforcement of compliance with this Section, it shall be entitled to recover all of its attorneys' fees and paraprofessional fees, and costs, at trial and upon appeal. Each Owner grants the Association an easement over its Lot for the purpose of ensuring compliance with the requirements of this Section.

11.8 Right-of-Way. Each Owner shall be responsible for the costs, charges and expenses incurred in connection with maintenance of the irrigation facilities, trees, sidewalk, driveway and landscaping immediately adjacent to such Owner's Lot and located between such Owner's Lot and the public roadway (the "**Owner's Right-of-Way**"). Every Owner shall be required to irrigate the grass and landscaping located within the Owner's Right-of-Way in a routine and ordinary manner and shall ensure that sufficient irrigation occurs during all periods when the Owner is absent from the Home. Further, each Owner is required to timely repair, maintain and/or replace the driveways, walkways, sidewalks, including without limitation brick pavers, and other paved and concrete surfaces located within the Owner's Right-of-Way. No tree installed by the Declarant shall be felled, removed, or cut down unless such tree represents an immediate hazard to the Home or other improvements on the Lot, or to persons occupying or utilizing Celebration Pointe Townhomes. If any such tree dies, or is removed in accordance with this Section 11.8, then such tree shall be replaced at the expense of and by the Owner of the Lot immediately adjacent to the felled tree with a similar tree approved by the ACC.

11.9 Party Walls.

11.9.1 General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Section, the general rule of law regarding party walls and liability for personal damage due to negligence of willful acts or omissions shall apply to all Party Walls within Celebration Pointe Townhomes that are built as part of the original construction of the Homes and any replacement thereof. In the event any portion of any structure or facility, as originally constructed, including, without limitation, any Party Wall, shall protrude over an adjoining Lot, it shall be deemed that such Owners have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the projection or Party Wall. The foregoing shall also apply to any replacements of any Party Walls. The foregoing conditions shall be perpetual in duration.

11.9.2 Painting. Each Owner shall be responsible for painting the portion of any Party Wall that faces his or her Home.

11.9.3 Sharing of Repair, Replacement and Maintenance for Party Walls.

11.9.3.1 Generally. The cost of reasonable repair and maintenance of Party Walls (other than painting) shall be shared equally by the Owners of the Homes sharing such improvements without prejudice, however, to the right of any Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

11.9.3.2 Failure to Contribute. In the event that an Owner shall fail or refuse to pay his pro rata share of costs of repair, maintenance, or replacement of a Party Wall (whether or not through his own fault or the failure of his insurance company to pay any claim), then and in that event, the Owner advancing monies therefor shall have a right to file a claim of lien for such monies advanced in the Public Records and shall have the right to foreclose said lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of the construction lien; provided, however, such claim of lien shall be filed within ninety (90) days from the date repairs or replacements are made to the Party Wall and suit thereon shall be commenced one (1) year from date such lien is filed.

11.9.3.3 Alterations. The Owner of a Lot sharing a Party Wall with an adjoining Lot shall not cut windows or other openings in the Party Wall, nor make any alterations, additions or structural changes in the Party Wall without the joint agreement of all of the Owners sharing the Party Wall.

11.9.3.4 Weatherproofing. Notwithstanding any other provisions of this Declaration, an Owner who by his negligent or willful act causes a Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

11.9.3.5 Easements. Each Owner sharing a Party Wall shall have all easement rights reasonably necessary to perform the obligations contained herein over the Homes sharing the Party Wall. Without limiting the generality of the foregoing, in the event an electrical meter, electrical apparatus, CATV cable or other utilities apparatus is installed within a Lot and serves more than such Lot, the Owners of the other Lot(s) served thereby shall have an easement for access to inspect and repair of such apparatus, provided that such easement rights shall be exercised in a reasonable manner and the Owner of the Lot encumbered by the easement shall be reimbursed for any significant physical damage to his Lot as a result of such exercise by the Owner(s) making use of such easement(s).

12. Use Restrictions. The following Use Restrictions shall apply to all Lots within Celebration Pointe Townhomes, except for any Lots owned by the Declarant. The Master Governing Documents include additional restrictions or provisions that are also applicable to all Lots within Celebration Pointe Townhomes. To the extent of a conflict between the following Use Restrictions and additional restrictions or provisions contained in the Master Governing Documents, the more restrictive provisions shall control. Each Owner must comply with the following:

12.1 Alterations and Additions. No material alteration, addition or modification to a Lot or Home, or material change in the appearance thereof, shall be made without the prior written approval thereof being first obtained from the ACC as required by this Declaration.

12.2 Animals. No animals of any kind shall be raised, bred or kept within Celebration Pointe Townhomes for commercial purposes. Other than swine, poultry, or pets that become a nuisance, Owners may keep domestic pets as permitted by County ordinances and otherwise in accordance with the Rules and Regulations established by the Board from time to time and the Master Declaration, subject to the Americans with Disabilities Act and the Federal Fair Housing Act. Notwithstanding the foregoing, pets permitted by this Section 12.2 may be kept or harbored in a Home only so long as such pets or animals do not constitute a nuisance. A determination by the Board that an animal or pet kept or harbored in a Home is a nuisance shall be conclusive and binding on all parties. All pets shall be walked on a leash. No pet shall be permitted outside a Home unless such pet is kept on a leash or within an enclosed portion of the yard of a Lot. No pet or animal shall be "tied out" on the exterior of the Home or in the Common Areas or Facilities, or left unattended in a yard or on a balcony, porch, or patio. No dog runs or enclosures shall be permitted on any Lot. When notice of removal of any pet is given by the Board, the pet shall be removed within forty-eight (48) hours of the receipt of such notice. All pets shall defecate only in the "pet walking" areas within Celebration Pointe Townhomes designated for such purpose, if any, or upon the exterior portion of the Owner's Lot. The person walking the pet or the Owner shall clean up all matter created by the pet and dispose of the same in a sanitary manner. Each Owner shall be responsible for all the activities of its pet. Notwithstanding anything to the contrary contained herein, all restrictions set forth in this Section 12.2 are subject to the Americans with Disabilities Act and the Federal Fair Housing Act.

12.3 Artificial Vegetation. Except as otherwise permitted by Florida law, no artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained upon the exterior portion of any Lot, unless approved by the ACC.

12.4 Automobiles and Vehicles. Notwithstanding any other provision in this Declaration to the contrary, the following restrictions shall not apply to construction vehicles utilized in connection with construction, improvement, installation, or repair by the Declarant, or its agents.

12.4.1 Parking. Owners' automobiles shall be parked in the garage or driveway of the respective Owner's Lot and shall not block the sidewalk. No vehicles of any nature shall be parked on any portion of Celebration Pointe Townhomes or a Lot except on the surfaced parking area thereof. Vehicles shall not park on the paved or concrete surfaces comprising the Common Areas or Facilities, except in designated parking areas, if any. No vehicles used in business for the purpose of transporting goods, equipment and the like, shall be parked in Celebration Pointe Townhomes except during the period of a delivery of goods or during the provision of services. ROADWAYS WITHIN CELEBRATION POINTE TOWNHOMES SHALL BE PUBLIC ROADWAYS AND SHALL NOT BE MAINTAINED OR REGULATED BY THE ASSOCIATION. EACH OWNER BY THE ACCEPTANCE OF A DEED TO THEIR HOME ACKNOWLEDGES AND AGREES THE ASSOCIATION HAS NO CONTROL WITH REGARD TO ACCESS, PARKING AND USAGE OF SUCH ROADWAYS BY THE GENERAL PUBLIC AND/OR MEMBERS OF THE ASSOCIATION. THE RESPONSIBILITY FOR ENFORCEMENT OF ANY LAWS REGARDING ACCESS, PARKING AND USAGE OF PUBLIC ROADWAYS RESTS SOLELY WITH THE APPLICABLE GOVERNMENTAL AUTHORITY AND THE ASSOCIATION DISCLAIMS RESPONSIBILITY FOR SUCH ENFORCEMENT.

12.4.2 Repairs and Maintenance of Vehicles. No vehicle which cannot operate on its own power shall remain on Celebration Pointe Townhomes for more than twelve (12) hours, except in the garage of a Home. No repair or maintenance, except emergency repair, of vehicles shall be made within Celebration Pointe Townhomes, except in the garage of a Home. No vehicles shall be stored on blocks. No tarpaulin covers on vehicles shall be permitted anywhere within the public view.

12.4.3 Prohibited Vehicles. No commercial vehicle, limousine, recreational vehicle, all-terrain vehicles (ATV), boats (or other watercraft), trailers, including, without limitation, boat trailers, house trailers, mobile homes, and trailers of every other type, kind or description, or camper, may be kept within Celebration Pointe Townhomes except in the garage of a Home. The term "commercial vehicle" shall not be deemed to include law enforcement vehicles, utility vehicles (e.g., Broncos, Blazers, Explorers, Navigators, etc.), or clean "non-working" vehicles such as pick-up trucks, vans, or cars if they are used by the Owner on a daily basis for normal transportation; provided, however, vehicles with ladders, racks, and hooks or such other equipment attached to such vehicles shall be "commercial vehicles" prohibited by this Section. No vehicles with missing or expired tags or registrations shall remain within Celebration Pointe Townhomes, except in the garage of a Home. No vehicles displaying commercial advertising shall be parked within the public view. No vehicles bearing a "for sale" sign shall be parked within the public view anywhere within No vehicles with missing or expired tags or registrations shall remain within Celebration Point Townhomes. For any Owner who drives an automobile issued by the County or other governmental entity (e.g. police cars), such automobile shall not be deemed to be a commercial vehicle and may be parked in the garage or driveway of the Lot. No vehicle shall be used as a domicile or residence either temporarily or permanently. No all-terrain vehicles (ATVs), golf carts, scooters or mini motorcycles are permitted at any time on any paved surfaces forming a part of the Common Areas (if any). Additionally, no all-terrain vehicle (ATV) or mini motorcycle may be parked or stored within No vehicles with missing or expired tags or registrations shall remain within Celebration Point Townhomes, including on any Lot, except in the garage of a Home. Notwithstanding any other provision in this Declaration to the contrary, the foregoing restrictions shall not apply to construction vehicles utilized in connection with construction, improvement, installation, or repair by the Declarant, or its agents.

12.4.4 Towing. Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the Rules and Regulations may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of twenty-four (24) hours from the time a notice of violation is placed on

the vehicle or if such a vehicle was cited for such violation within the preceding fourteen (14) day period. Each Owner by acceptance of title to a Home irrevocably grants the Association and its designated towing service the right to enter a Lot and tow vehicles in violation of this Declaration. Neither the Association nor the towing company shall be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing or removal and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, boats, watercraft, mobile homes, trailers, etc. By accepting title to a Home, the Owner provides to the Association the irrevocable right to tow or remove vehicles parked on the Owner's Lot, the Common Areas or the Facilities that are in violation of this Declaration. An affidavit of the person posting the foresaid notice stating it was properly posted shall be conclusive evidence of proper posting. THE ROADWAYS WITHIN CELEBRATION POINTE TOWNHOMES ARE PART OF THE PUBLIC SYSTEM OF ROADWAYS. AS SUCH, IN NO EVENT SHALL THE ASSOCIATION BE RESPONSIBLE FOR TOWING VEHICLES PARKED ON THE ROADWAYS WITHIN CELEBRATION POINTE TOWNHOMES.

12.5 Casualty Destruction to Improvements. In the event that a Home or other improvement is damaged or destroyed by casualty loss or other loss, then the Owner thereof shall commence to rebuild or repair the damaged Home or improvement in accordance with Section 14.2.1 of this Declaration. As to any such reconstruction of a destroyed Home or improvements, the same shall only be replaced as approved by the ACC. Notwithstanding anything to the contrary herein, to the extent that insurance coverage obtained and maintained by the Association covers such casualty destruction, the Owner of such damaged or destroyed Home shall not perform any activities that would negate such coverage or impair the availability of such coverage.

12.6 Commercial Activity. Except for normal construction activity, sale, and re-sale of a Home, sale or re-sale of other property owned by the Declarant, and administrative offices of the Declarant, no commercial or business activity shall be conducted within Celebration Pointe Townhomes, including, without limitation, within any Home. Notwithstanding the foregoing, and subject to applicable statutes and ordinances, an Owner may maintain a home business office within a Home for such Owner's personal use; provided, however, business invitees, customers, and clients shall not be permitted to meet with Owners in Homes unless the Board provides otherwise in the Rules and Regulations. No Owner may actively engage in any solicitations for commercial purposes within Celebration Pointe Townhomes. No solicitors of a commercial nature shall be allowed within Celebration Pointe Townhomes, without the prior written consent of the Association. No day care center, "half-way house," or assisted living facility may be operated out of a Home. No garage sales are permitted, except as permitted by the Association. Prior to the Community Completion Date, the Association shall not permit any garage sales without the prior written consent of the Declarant.

12.7 Completion and Sale of Homes. No person or entity shall interfere with the completion and sale of Homes and/or Lots within Celebration Pointe Townhomes by the Declarant. WITHOUT LIMITING THE FOREGOING, EACH OWNER, BY ACCEPTANCE OF A DEED, AGREES THAT ACTIONS OF OWNERS MAY IMPACT THE VALUE OF HOMES AND/OR LOTS; THEREFORE EACH OWNER IS BENEFITED BY THE FOLLOWING RESTRICTIONS: PICKETING AND POSTING OF NEGATIVE SIGNS IS STRICTLY PROHIBITED IN ORDER TO PRESERVE THE VALUE OF THE HOMES AND/OR LOTS IN CELEBRATION POINTE TOWNHOMES AND THE RESIDENTIAL ATMOSPHERE THEREOF.

12.8 Control of Contractors. Except for direct services which may be offered to Owners (and then only according to the Rules and Regulations relating thereto, as adopted AND amended from time to time), no person other than an Association officer shall direct, supervise, or in any manner attempt to assert any control over any contractor of the Association.

12.9 Cooking. No cooking shall be permitted nor shall any goods or beverages be consumed on the Common Areas or the Facilities, except in areas designated for those purposes by the District or

Association. The Board shall have the right to prohibit or restrict the use of grills or barbecue facilities throughout Celebration Pointe Townhomes.

12.10 Decorations. No decorative objects including, but not limited to, birdbaths, light fixtures, sculptures, statues, or weather vanes, or flagpoles shall be installed or placed within or upon any portion of Celebration Point Townhomes without the prior written approval of the ACC. Notwithstanding the foregoing, holiday lighting and decorations shall be permitted to be placed upon the exterior portions of the Home and upon the Lot in the manner permitted hereunder commencing the week before Thanksgiving and shall be removed not later than January 15<sup>th</sup> of the following year. The ACC may establish standards for holiday lights and decorations in its sole discretion. The ACC may require the removal of any lighting or decoration that creates a nuisance (e.g., unacceptable spillover to adjacent Home or excessive travel through Celebration Point Townhomes). Except as otherwise provided in Section 720.304(2)(b), Florida Statutes (2018), and subject to the requirements of such provision, no flag poles are permitted without the prior written approval of the ACC.

12.11 Disputes as to Use. If there is any dispute as to whether the use of any portion of Celebration Point Townhomes complies with this Declaration, such dispute shall, prior to the Community Completion Date, be decided by the Declarant, and thereafter by the Board. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

12.12 Drainage System. Drainage Improvements may be part of the Facilities, Common Areas, and/or Lots. After Drainage Improvements are installed by the Declarant, the maintenance of Drainage Improvements within the boundary of a Lot shall be the responsibility of the CDD; however, the Owner of any such Lot shall be required to maintain such Lot in accordance with the provisions of Section 11 of this Declaration. In the event Drainage Improvements are adversely affected by landscaping, fences, structures, or any other improvements (including, without limitation, pavers), the cost to correct, repair, or maintain such Drainage Improvements shall be the responsibility of the record title owner of the Lot that includes such improvements, except as otherwise maintained or repaired by the CDD or the Master Association. By way of example, and not of limitation, if the Owner of one Lot plants a tree (pursuant to ACC approval) and the roots of such tree subsequently affect Drainage Improvements within another Lot, the Owner that planted the tree shall be solely responsible for the removal of the roots which adversely affects the adjacent Lot. NOTWITHSTANDING THE FOREGOING, THE ASSOCIATION, BUILDERS AND THE DECLARANT SHALL HAVE NO RESPONSIBILITY OR LIABILITY FOR DRAINAGE PROBLEMS OF ANY TYPE WHATSOEVER.

12.13 Extended Vacation and Absences. In the event a Home will be unoccupied for an extended period, the Home must be prepared prior to departure by: (i) removing all removable furniture, plants and other objects from outside the Home; and (ii) designating a responsible firm or individual to care for the Home, should the Home suffer damage or require attention, and providing a key to that firm or individual. Neither the Association nor the Declarant shall have any responsibility of any nature relating to any unoccupied Home.

12.14 Fences/Walls/Screens. No walls or fences shall be erected or installed by an Owner within Celebration Pointe Townhomes. This provision shall not apply to walls or fences installed by the Declarant or the Master Association.

12.15 Fuel Storage. No fuel storage shall be permitted within Celebration Pointe Townhomes, except as may be necessary or reasonably used for barbecues, fireplaces or similar devices subject to compliance with any local government ordinances regulating such storage.

12.16 Garages. No garage shall be converted into a general living area. Garage doors shall remain closed at all times except when vehicular or pedestrian access is required.

12.17 Garbage Disposal. Trash collection and disposal procedures established by the Association shall be observed. No outside burning of trash or garbage is permitted. No garbage cans, supplies or other similar articles shall be maintained on any Lot so as to be visible from outside the Home. Each Owner shall be responsible for properly depositing his or her garbage and trash in garbage cans

and trash containers sufficient for pick-up by the appropriate collection agencies in accordance with the requirements of any such agency. All such trash receptacles shall be maintained in a sanitary condition and shall be shielded from the view of adjacent properties and streets. Garbage cans and trash containers shall not be placed outside the Home for pick-up earlier than 7:00 p.m. on the day preceding the pick-up and shall be removed the day of pick-up. Except for normal construction debris on a Lot during the course of construction of a Home, no garbage, refuse or debris of any kind shall be placed or permitted to accumulate upon any portion of Celebration Pointe Townhomes.

12.18 Hurricane Shutters. Any hurricane shutters or other protective devices visible from outside a Home shall be of a type as approved in writing by the ACC, shall match the color or trim of the Home and be of a neutral color. Panel, accordion and roll-up style hurricane shutters may not be left closed during hurricane season (or at any other time). Any such approved hurricane shutters may be installed or closed up prior to the expected arrival of a hurricane and must be removed or opened within seventy-two (72) hours after the end of a hurricane watch or warning or as the Board may determine otherwise. Except as the Board may otherwise decide, shutters may not be closed at any time other than a storm event. Any approval by the ACC shall not be deemed an endorsement of the effectiveness of hurricane shutters.

12.19 Irrigation. Due to water quality, irrigation systems may cause staining on Homes, other structures or paved areas. It is each Owner's responsibility to treat and remove any such staining within an Owner's Lot. The Declarant may, in its sole discretion, utilize a computerized loop system to irrigate the Common Areas.

12.20 Laundry. Subject to the provisions of Section 163.04, Florida Statutes (2018), to the extent applicable, no rugs, mops, or laundry of any kind, or any other similar type article, shall be shaken, hung or exposed so as to be visible outside the Home or Lot. Clotheslines may be installed in the rear of a Lot so long as not visible from the front of the Lot; provided, that, any such clothesline shall be removed when it is not in use as a clothesline.

12.21 Lawful Use. No immoral, improper, offensive, unlawful or obnoxious use shall be made in any portion of Celebration Pointe Townhomes, as determined by the Board in its sole discretion. All laws, zoning ordinances and regulations of all governmental entities having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental entities for maintenance, modification or repair of a portion of Celebration Pointe Townhomes shall be the same as the responsibility for maintenance and repair of the property concerned.

12.22 Leases. Homes may be leased, licensed or occupied only in their entirety and no fraction or portion may be rented. No bed and breakfast facility may be operated out of a Home. Individual rooms of a Home may not be leased on any basis. No transient tenants may be accommodated in a Home. All leases or occupancy agreements of Homes (collectively, "Lease Agreements") are subject to the provisions of this Section 12.22. All Lease Agreements shall be in writing. A copy of all Lease Agreements shall be provided to the Association. No Lease Agreement may be for a term of less than one (1) year, and no Home may be leased more than two (2) times in any calendar year unless otherwise approved by the Association in the case of hardship; provided, however, that if a Lessee defaults under its Lease Agreement and the Owner terminates such Lease Agreement on account of such default, then such Owner may be entitled to replace the defaulted and terminated tenancy with a new Lessee under a new Lease Agreement (for a term of at least one (1) year), and such new tenancy shall not count as an additional lease for the specified period. The Lessee, as part of the Lease Agreement, shall agree to abide by and adhere to the terms and conditions of this Declaration together with all Rules and Regulations and all policies adopted by the Association. By acceptance of a deed to a Home, the Owner hereby agrees to remove, at the Owner's sole expense, by legal means including eviction, his or her Lessee should the Lessee refuse or fail to abide by and adhere to this Declaration, the Rules and Regulations and any other policies adopted by the Association. Notwithstanding the foregoing, should an Owner fail to perform his or her obligations under this Section, the Association shall have the right, but not

the obligation, to evict such Lessee and the costs of the same shall be charged to the Owner as an Individual Assessment. All Lease Agreements shall require the Home to be used solely as a private single family residence. Each leased Home shall be occupied by the Lessee, members of the Lessee's family, overnight guests and professional caregivers as a residence and for no other purpose. During such time as a Home is leased, the Owner of such Home shall not enjoy the use privileges of the Common Areas appurtenant to such Home.

12.23 Mailboxes and Lampposts. No mailboxes or lampposts shall be installed on any Lot.

12.24 Minor's and Guest's Use of Commonly Shared Facilities. Adults shall be responsible for all actions of their minor children and guests at all times in and about Celebration Pointe Townhomes. Neither the Declarant, the Master Association nor the Association shall be responsible for any use of the Common Areas or Facilities by anyone, including minors.

12.25 Nuisances. No nuisance or any use or practice that is the source of unreasonable annoyance to others or which interferes with the peaceful possession and proper use of Celebration Pointe Townhomes is permitted. No firearms shall be discharged within Celebration Pointe Townhomes. Nothing shall be done or kept within the Common Areas, or any other portion of Celebration Pointe Townhomes, including a Home or Lot which will increase the rate of insurance to be paid by the Association.

12.26 Oil and Mining Operations. No oil, drilling development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or on any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or on any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any Lot.

12.27 Personal Property. All personal property of Owners or other occupants of Homes shall be stored within the Homes. No personal property, except usual patio furniture, may be stored on, nor any use made of, the Common Areas, any Lot or Home, or any other portion of Celebration Pointe Townhomes, which is unsightly or which interferes with the comfort and convenience of others.

12.28 Pressure Cleaning and Driveways. All paved and concrete areas, including, but not limited to, walks and driveways, shall be pressure cleaned by the Association in the ordinary course of business.

12.29 Removal of Soil and Additional Landscaping. Without the prior consent of the ACC, no Owner shall remove soil from any portion of Celebration Pointe Townhomes, change the level of the land within Celebration Pointe Townhomes, or plant landscaping which results in any permanent change in the flow and drainage of surface water within Celebration Pointe Townhomes. Owners may place additional plants, shrubs, or trees within any portion of Celebration Pointe Townhomes within their respective Lots with the prior written approval of the ACC.

12.30 Satellite Dishes and Antennae. No exterior visible antennae, radio masts, towers, poles, aerials, satellite dishes, or other similar equipment shall be placed on any Home or Lot without the prior written approval thereof being first obtained from the ACC as required by this Declaration. The ACC may require, among other things, that all such improvements be screened so that they are not visible from adjacent Homes, or from the Common Areas. Each Owner agrees that the location of such items must be first approved by the ACC in order to address the safety and welfare of the residents of Celebration Pointe Townhomes. No Owner shall operate any equipment or device which will interfere with the radio or television reception of others. All antennas not covered by the Federal Communications Commission ("**FCC**") rules are prohibited. Installation, maintenance, and use of all antennas shall comply with the Community Standards adopted by the Board and shall be governed by the then current rules of the FCC.

12.31 Screened Enclosures. All screening and screened enclosures shall have the prior written approval of the ACC and shall be in accordance with the Community Standards. All enclosures of balconies or patios, including addition of vinyl windows, shall be approved by the ACC, and shall comply with the Community Standards.

12.32 Signs and Flags. No sign, flag, banner, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, or upon any part of Celebration Pointe Townhomes, including, without limitation, any Home, Lot or vehicle, that is visible from the outside; provided, however, any Owner may display in a respectful manner one (1) portable, removable United States flag or official flag of the State of Florida and one (1) portable, removable official flag of the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, or a POW-MIA flag. Any such permitted flags may not exceed four and one-half feet (4 ½') by six feet (6'). Each Owner may erect one (1) freestanding flag pole that is no more than twenty feet (20') high on any portion of such Owner's Lot if the flag pole does not obstruct sightlines at intersections and is not erected within or upon any easement. The flag pole may not be installed any closer than ten feet (10') from the back of curb, or within ten feet (10') of any Lot boundary line. Any Owner may further display from the flagpole, one (1) official United States flag, not larger than four and one-half feet (4 ½') by six feet (6'), and may additionally display one (1) official flag of the State of Florida or the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, or a POW-MIA flag. Such additional flag must be equal in size to or smaller than the United States flag. Any flag pole installed in accordance with this Section is subject to all building codes, zoning setbacks, and other applicable governmental regulations, including, without limitation, noise and lighting ordinances in the County and all setback and location criteria contained in this Declaration and the Community Standards.

The Declarant and the Association are exempt from this Section; provided, further, the Declarant specifically reserves the right, for itself and its respective agents, employees, nominees and assigns the right, privilege and easement to construct, place and maintain upon any property within Celebration Pointe Townhomes such signs and flags as it deems appropriate in connection with the development, improvement, construction, marketing and sale of any of the Lots and Homes. The prohibitions on signs and flags displayed on or within vehicles contained above in this Section shall not apply to commercial vehicles such as for construction use or providing pick-up and delivery services and other commercial services.

12.33 Sports Equipment. No recreational, playground or sports equipment shall be installed or placed within or about any portion of Celebration Pointe Townhomes without prior written consent of the ACC. No basketball backboards, skateboard ramps, or play structures will be permitted without the prior written approval by the ACC. Such approved equipment shall be located at the rear of the Lots or on the inside portion of corner Lots within the setback lines. Tree houses or platforms of a similar nature shall not be constructed on any part of a Lot. Rules and Regulations governing basketball hoops may be adopted by the Association from time to time.

12.34 Storage. No temporary or permanent utility or storage shed, storage building, tent, or other structure or improvement shall be permitted and no other structure or improvement shall be constructed, erected, altered, modified or maintained without the prior written approval of the ACC, which approval shall conform to the requirements of this Declaration and the Community Standards. Water softeners, trash containers, propane tanks, and other similar devices shall be properly screened from all roadways in a manner approved by the ACC.

12.35 Subdivision and Regulation of Land. No portion of any Lot shall be divided or subdivided or its boundaries changed without the prior written approval of the Declarant prior to the Community Completion Date, and thereafter, by the Association. No Owner shall inaugurate or implement any variation from, modification to, or amendment of governmental regulations, land use plans, land development regulations, zoning, or any other development orders or development permits applicable to Celebration Pointe Townhomes, without the prior written approval of the Declarant, which may be granted or denied in its sole discretion.

12.36 Substances. No flammable, combustible or explosive fuel, fluid, chemical, hazardous waste, or substance shall be kept on any portion of Celebration Pointe Townhomes or within any Home or Lot, except those which are required for normal household use. All propane tanks and bottled gas for household and/or pool purposes (excluding barbecue grill tanks) must be installed underground or in a manner to be screened from view by landscaping or other materials approved by the ACC subject to compliance with any local government ordinances regulating such storage.

12.37 Swimming, Fishing and Boating. Swimming and/or fishing is prohibited within any of the retention/detention areas or water bodies within the boundaries of Celebration Pointe Townhomes. Boating and personal watercraft (e.g., water skis) are prohibited. No private docks may be erected within any retention/detention areas and/or any other water body within Celebration Pointe Townhomes.

12.38 Swimming Pools and Spas. No above-ground pools or in-ground pools shall be permitted within any Lot. Hot tubs, spas and related appurtenances shall not be permitted on any Lot within Celebration Pointe Townhomes.

12.39 Unmanned Aircraft Systems. Drones or similar unmanned aircraft, either with or without cameras, shall not be operated by an Owner, its Lessees, guests or invitees on, over or from any Lot, Common Area, within Celebration Pointe Townhomes, except for the purpose of an Owner or their authorized agent periodically inspecting the Owner's respective Lot or Home, or as otherwise permitted by the Board from time to time. The Board is specifically vested with the exclusive authority to adopt reasonable conditions and regulations concerning or related to the operation of drones or similar unmanned aircraft on, over or from Lots, Common Areas. All drones or similar unmanned aircraft systems shall only be operated in accordance with Federal, State and Local regulations, all as amended from time to time. In no event shall an operator of a drone or similar unmanned aircraft system invade the privacy of another person on any Lot or Common Area. No person shall operate a drone or similar unmanned aircraft system in any manner that constitutes a nuisance or harasses, annoys, or disturbs the quiet enjoyment of another person, including without limitation, to another Owner, its Lessees, guests or invitees.

12.40 Use of Homes. Each Home is restricted to residential use as a residence by the Owner or permitted occupant thereof, its Lessees, guests and invitees.

12.41 Visibility on Corners. Notwithstanding anything to the contrary in this Declaration, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by the Board and governmental agencies. No vehicles, objects, fences, walls, hedges, shrubs or other planting shall be placed or permitted on a corner Lot where such obstruction would create a traffic problem.

12.42 Wells and Septic Tanks. No individual wells will be permitted on any Lot and no individual septic tanks will be permitted on any Lot.

12.43 Wetlands and Mitigation Areas. If the Common Areas include one or more preserves, wetlands, and/or mitigation areas, no Owner or other person shall take any action or enter onto such areas so as to adversely affect the same without ACC approval and approval from any governmental agencies having jurisdiction. Such areas are to be maintained by the Master Association in their natural state.

12.44 Window Treatments. Within thirty (30) days of the conveyance of title of a Home to an Owner, such Owner shall install drapes, curtains, blinds or other window coverings. Window treatments shall consist of drapery, blinds, decorative panels, or other window coverings, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted. All window treatments facing the outside shall be light in color. No security bars shall be placed on the windows of any Home. No awnings, canopies or shutters shall be affixed to the exterior of a Home without the prior written approval of the ACC. No reflective tinting or mirror finishes on windows shall be permitted unless approved by the ACC. Owners are responsible for caulking or re-caulking all windows to insure water tightness. As used herein, the term "Window Treatment" is limited to traditional window coverings, and excludes, without limitation, sheets, toweling, newspaper, aluminum foil, cardboard or other similar temporary covering.

12.45 Windows or Wall Units. No window or wall air conditioning unit may be installed in any window or wall of a Home.

13. Easement for Unintentional and Non-Negligent Encroachments. If any building or improvement upon a Lot shall encroach upon another Lot or upon the Common Areas by reason of original construction by the Declarant, then an easement for such encroachment shall exist so long as the encroachment exists, with no further action required by the Declarant or any Owner to establish such easement. Lots may contain improvements such as balconies, HVAC systems or other improvements that may pass over or underneath an adjacent Lot or over or underneath the Common Areas. A perpetual nonexclusive easement is herein granted to allow such improvement and to permit any natural water runoff from roof overhangs, eaves and other protrusions onto an adjacent Lot.

14. Responsibility for Insurance, Repair and Replacement.

14.1 Association Insurance.

14.1.1 Flood Insurance. If the Common Areas are located within an area which has special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program (NFIP), the Association shall maintain insurance coverage in appropriate amounts, available under NFIP for all buildings and other insurable property within any portion of the Common Areas located within a designated flood hazard area.

14.1.2 Liability Insurance. The Association shall procure for the Common Areas only commercial general liability insurance coverage providing coverage and limits deemed appropriate by the Board. Such policies must provide that they may not be cancelled or substantially modified by any party, without at least thirty (30) days' prior written notice to the Declarant (until the Community Completion Date) and the Association.

14.1.3 Directors and Officers Liability Insurance. Each member of the Board shall be covered by directors and officers liability insurance in such amounts and with such provisions as approved by the Board.

14.1.4 Other Insurance. The Association shall maintain such other insurance coverage as appropriate from time to time. All coverage obtained by the Association shall cover all activities of the Association and all properties maintained by the Association, whether or not the Association owns title thereto.

14.1.5 Declarant. Prior to the Turnover, the Declarant shall have the right, at the Association's expense, to provide insurance coverage under its master insurance policy in lieu of any of the foregoing.

14.2 Requirement to Maintain Insurance. Each Owner shall be required to obtain and maintain adequate insurance on his or her Home. Such insurance shall be sufficient for necessary repair or reconstruction work, and/or shall cover the costs to demolish a damaged Home as applicable, remove the debris, and to re-sod and landscape land comprising the Lot. Upon the request of the Association, each Owner shall be required to supply, on a quarterly basis, to the Board with evidence of insurance coverage on its Home which complies with the provisions of this Section. Without limiting any other provision of this Declaration or the powers of the Association, the Association shall specifically have the right to bring an action to require an Owner to comply with his or her obligations hereunder.

14.2.1 Requirement to Reconstruct or Demolish. Each Owner covenants and agrees that in the event of damage to or destruction of structures on or comprising his or her Home, the Owner of such Home shall do one of the following: (i) the Owner

shall commence reconstruction

and/or repair of the Home ("**Required Repair**"), or (ii) the Owner shall tear the Home down, remove all the debris, and re-sod and landscape the property comprising the Home as required by the ACC ("**Required Demolition**") to the extent permitted under law. If an Owner elects to perform the Required Repair, such work must be commenced within thirty (30) days of the Owner's receipt of the insurance proceeds respecting such Home and the Required Repair must be completed within six (6) months from the date of the casualty or such longer period of time established by the Board in its sole and absolute discretion subject to extension if required by law. If an Owner elects to perform the Required Repair, such reconstruction and/or repair must be completed in a continuous, diligent, and timely manner. If an Owner elects to perform the Required Demolition, the Required Demolition must be completed within six (6) months from the date of the casualty or such longer period of time established by the Board in its sole and absolute discretion subject to extension if required by law. Notwithstanding anything contained herein to the contrary, in the event an Owner elects to perform the Required Demolition, the Association shall have the right to require such Owner to thereafter commence to rebuild the Home, and such reconstruction/rebuilding of the Home must be completed within one (1) year from the date from the date such Required Demolition is completed, or such longer period of time established by the Board in its sole and absolute discretion subject to extension if required by law. As to any such reconstruction of a destroyed Home or improvements, the same shall only be replaced as approved by the ACC. The Association shall have the right to inspect the progress of all reconstruction and/or repair work. Without limiting any other provision of this Declaration or the powers of the Association, the Association shall have a right to bring an action against an Owner who fails to comply with the foregoing requirements. By way of example, the Association may bring an action against an Owner who fails to either perform the Required Repair or Required Demolition on his or her Home within the time periods and in the manner provided herein. Each Owner acknowledges that the issuance of a building permit or a demolition permit in no way shall be deemed to satisfy the requirements set forth herein, which are independent of, and in addition to, any requirements for completion of work or progress requirements set forth in applicable statutes, zoning codes and/or building codes.

14.2.2 Standard of Work. The standard for all demolition, reconstruction, and other work performed as required by this Section 14.2 shall be in accordance with the Community Standards and any other standards established by the Association with respect to any casualty that affects all or a portion of Celebration Pointe Townhomes.

14.2.3 Additional Rights of the Association. If an Owner refuses or fails, for any reason, to perform the Required Repair or Required Demolition as herein provided, then the Association, in its sole and absolute discretion, by and through its Board is hereby irrevocably authorized by such Owner to perform the Required Repair or Required Demolition. All Required Repair performed by the Association pursuant to this Section shall be in conformance with the original plans and specifications for the Home. The Association shall have the absolute right to perform the Required Demolition to a Home pursuant to this Section if any contractor certifies in writing to the Association that such Home cannot be rebuilt or repaired. The Board may levy an Individual Assessment against the affected Owner in whatever amount sufficient to adequately pay for Required Repair or Required Demolition performed by the Association, including any costs incurred with the management and oversight of any such Required Repair or Required Demolition performed by the Association.

14.2.4 Association Has No Liability. Notwithstanding anything to the contrary this Section, the Association, its directors and officers, shall not be liable to any Owner should an Owner fail for any reason whatsoever to obtain insurance coverage on a Home. Moreover, the Association, its directors and officers, shall not be liable to any person if the Association does not enforce the rights given to the Association in this Section.

14.3 Compliance Monitoring. Notwithstanding any provision to the contrary contained herein or in any other Governing Document, neither the Association nor the Declarant shall be responsible for ensuring or confirming compliance with the insurance provisions contained herein, it being acknowledged

by all Owners that such monitoring would be unnecessarily expensive and difficult. Moreover, neither the Association nor the Declarant shall be liable in any manner whatsoever for failure of an Owner to comply with this Section.

14.4 Fidelity Bonds. If available, the Association shall procure a blanket fidelity bond for all officers, directors, trustees and employees of the Association, and all other persons handling or responsible for funds of, or administered by, the Association. In the event the Association delegates some or all of the responsibility for the handling of the funds to a professional management company or licensed manager, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of the Association. The amount of the fidelity bond shall be based upon the Board's reasonable business judgment.

14.5 Association as Agent. The Association is irrevocably appointed agent for each Owner of any interest relating to the Common Areas to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

14.6 Casualty to Common Areas. In the event of damage to the Common Areas, or any portion thereof, the Association shall be responsible for reconstruction after casualty.

14.7 Nature of Reconstruction. Any reconstruction of improvements hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform to the then current governmental regulation(s).

14.8 Cost of Payment of Premiums and Deductibles. Except as otherwise provided herein, the costs of all insurance maintained by the Association hereunder, and any other fees or expenses incurred that may be necessary or incidental to carry out the provisions hereof are Operating Expenses.

14.9 Declarant has No Liability. Notwithstanding anything to the contrary in this Section 14, the Declarant, its officers, directors, shareholders, and any related persons or corporations and their employees, attorneys, agents, officers and directors shall not be liable to any Owner or any other person should the Association fail for any reason whatsoever to obtain insurance coverage for the Common Areas or should the Owner fail for any reason whatsoever to obtain insurance coverage for their Home.

14.10 Additional Insured. Prior to the Community Completion Date, the Declarant shall be named as additional insured on all policies obtained by the Association, as their interests may appear.

## 15. Property Rights.

15.1 Owners' Easement of Enjoyment. Every Owner, permitted occupants, such Owner's Lessees, guests and invitees, and every owner of an interest in Celebration Pointe Townhomes shall have a non-exclusive right and easement of enjoyment in and to those portions of the Common Areas and Facilities, to the extent applicable, that it is entitled to use for their intended purpose, subject to the following provisions:

15.1.1 Easements, restrictions, reservations, conditions, limitations and declarations of record, now or hereafter existing, and the provisions of this Declaration, as amended or supplemented from time to time;

15.1.2 Rules and Regulations governing use and enjoyment of the Common Areas, as applicable;