

Prepared by:

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**CERTIFICATE OF SECOND CONSOLIDATED AND RESTATED DECLARATION OF
COVENANTS AND RESTRICTIONS FOR SILVERTHORN**

WHEREAS, the Amended and Restated Declaration of Covenants and Restrictions for Silverthorn was recorded on February 2, 2007, in Official Record Book 2395, Page 1859, of the Public Records of Hernando County, Florida (the “Amended and Restated Declaration”); and

WHEREAS, the Amended and Restated Declaration superseded the original Declaration of Covenants and Restrictions for Silverthorn recorded at Official Record Book 975, Page 1632, of the Public Records of Hernando County, Florida, and all prior amendments to said original Declaration; and

WHEREAS, the Consolidated and Restated Declaration of Covenants and Restrictions for Silverthorn was recorded on May 7, 2012, in Official Record Book 2901, Pages 1667-1704, of the Public Records of Hernando County, Florida (the “Consolidated and Restated Declaration”); and

WHEREAS, the Consolidated and Restated Declaration was a compilation of the Amended and Restated Declaration and its subsequently approved amendments; and

WHEREAS, after the date of the Consolidated and Restated Declaration, several additional amendments have been adopted and recorded in the Public Records of Hernando County, Florida; and

WHEREAS, The Association again desires to create a compilation which will include those additional amendments recorded at OR Book 3637, Page 712 and OR Book 3327, Page 1612 of the Public Records of Hernando County, Florida;

NOW, THEREFORE, this is to certify that the attached Second Consolidated and Restated Declaration of Covenants and Restrictions for Silverthorn is a consolidation of the initial Consolidation and Restated Declaration of Covenants and Restrictions for Silverthorn, and all amendments thereto recorded in the Public Records of Hernando County, Florida, through the date of November 29th, 2018.

(Signatures on following page)

IN WITNESS WHEREOF, Silverthorn/Hernando Homeowners' Association, Inc., has caused this instrument to be signed by its duly authorized officer on this 29th day of November, 2018.

WITNESSES:
HOMEOWNERS'

SILVERTHORN/HERNANDO
ASSOCIATION, INC.

[Signature]
Print Name: Humberto Gonzalez

[Signature]
ROBERT NYOVICH, President

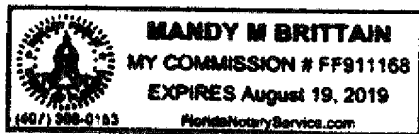
[Signature]
Print Name: Jack Smith

STATE OF FLORIDA
COUNTY OF HERNANDO

The foregoing instrument was acknowledged before me this 29th day of November 2018, by ROBERT NYOVICH, President of SILVERTHORN/HERNANDO HOMEOWNERS' ASSOCIATION, INC., who is personally known to me, and who did take an oath under the laws of the State of Florida, who executed the foregoing Certificate of Second Consolidated and Restated Declaration of Covenants and Restrictions for Silverthorn, and acknowledged the execution thereof to be his free act and deed as such officer, for the uses and purposes therein mentioned, and that execution of said instrument is the act and deed of said corporation.

AFFIX NOTARY SEAL

[Signature]
Print Name: Mandy BRITAIN
Notary Public



**SECOND CONSOLIDATED AND RESTATED
DECLARATION OF COVENANTS AND RESTRICTIONS FOR SILVERTHORN**

The following is a compilation of the Consolidated and Restated Declaration of Covenants and Restrictions for Silverthorn, recorded in Hernando County Official Records Book 2901, Page 1667-1704, Hernando County, along with all amendments thereto recorded in the Official Records of Hernando County, Florida, as of November 29, 2018.

ARTICLE I

DEFINITIONS

Section 1. The following words when used in this Declaration or any supplemental declaration (unless the context shall prohibit) shall have the following meanings:

1. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of Silverthorn/Hernando Homeowners' Association, Inc., all exhibits which are attached thereto and made a part thereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof.

2. "Association" and "Homeowners' Association" shall mean and refer to Silverthorn/Hernando Homeowners' Association, Inc.

3. "Board of Directors" when referred to herein shall mean the Board of Directors of Silverthorn/Hernando Homeowners Association, Inc.

4. "Bylaws" shall mean and refer to the Bylaws of Silverthorn/Hernando Homeowners' Association, Inc., all exhibits and rules and regulations which are attached thereto and made a part thereof and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof.

5. "Committee" when referred to herein shall mean either the Architectural Review Committee, the Covenant Compliance Committee, and such other committees established by the Board of Directors as the context suggests.

6. "Common Area" shall mean all real property, including improvements thereto, owned or areas of easement held in favor of the Association or administered thereby by the Association for the common use and enjoyment of the members of the Association. The Common Areas include streets, parking areas, walkways and parking areas, perimeter walls and fences, gatehouse and entrance structure, landscaped areas outside the lots, cabanas, playground(s), community structures, swimming pools, tennis courts, recreation facilities, ponds, drainage, detention and retention areas, etc., if the same are constructed on the Property. Common Area(s) may sometimes be called or referred to as "Community Property". Common Areas or Common Improvements specifically exclude the golf course, clubhouse, maintenance facilities and all related golf course owned facilities.

7. "Common Improvements" – those lands or improvements erected thereon as donated or constructed by the Developer and/or the Association for the enhancement and/or protection of the property or to meet the governmental requirements placed on the property.

8. "Declarant" shall mean and refer to Scarborough-Sembler Joint Venture II and any prior assignees of this entity (for the limited purposes of any such assignment). The Declarant may sometimes be called or referred to as "Developer." Control of the Homeowners' Association was turned over to the members on or about December 15, 2001 by the Declarant.

9. "Developer" shall mean Scarborough-Sembler Joint Venture II.

10. "Dwelling Unit" shall mean and refer to private residential units constructed on a Lot within Silverthorn. This term may sometimes be referred to as "Dwelling" or "Unit."

11. "General Plan of Development" shall mean and refer to all recorded plats for particular areas of Silverthorn.

12. "Golf Course Property." Developer has constructed a country club and golf course upon lands contiguous to the lands subject to this Declaration. The last recorded description of the properties which constitute the Golf Course Property is attached hereto as Exhibit "B", such description having been made part of the Eighth Amendment to the Declaration. The Golf Course Property shall only be subject to the provisions of Article IV, Section 6 entitled "Surface Water Management System", and the provisions of Article IV, Section 8 entitled "Irrigation System". The Golf Course Property is not intended to be made, and is not made subject to any other terms, covenants, conditions, restrictions and provisions of this Declaration. The country club and golf course property may sometimes be referred to as Silverthorn Country Club.

13. The term "institutional first mortgage" shall mean a mortgage made by a bank, or a savings and loan association, or an insurance company, or a pension fund, or a real estate trust, or other private or governmental agency or institution which is engaged in the business of mortgage financing, which is a first and prior mortgage encumbering a Residence.

14. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property for the construction of a residence, with the exception of the Common Area(s), together with all improvements situated thereon from time to time. A lot may also be referred to as "Unit" when developed.

15. "Member" shall mean and refer to members of the Silverthorn/Hernando Homeowners' Association, Inc.

16. "Home Owners" or "Owners" shall mean and refer to the record owner(s), whether one or more persons or entities, of the fee simple title to any residential Dwelling Unit or Lot, situated within Silverthorn.

17. "Residence" shall mean and refer to a private family dwelling located upon a lot.

18. "Silverthorn" shall mean and refer to all existing properties which are part of the Silverthorn Community, all of which were made subject to this Amended and Restated Declaration by the original Declaration and the amendments thereto listed on Page 1 of this Amended and Restated Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND 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 the County of Hernando, State of Florida, and is more fully described in the original Declaration and the amendments thereto listed on Page 1 of this Amended and Restated Declaration. Such property is to constitute the Silverthorn Community, except for the Golf Course Property which is only subject to certain portions of this Amended and Restated Declaration. No further additions to Silverthorn are contemplated and an amendment to this Amended and Restated Declaration will be required for any future property to be added.

Section 2. Easements and Use of Common Areas.

1. The Developer has constructed, on the Golf Course Property, a clubhouse and golf course facility (also known as Silverthorn Country Club). The Developer and the Association have also constructed other recreational facilities on the Common Areas, including a Community Center and Fitness Center. These facilities, as well as such other facilities as may be added to or expanded from time to time, will be referred to as the "Community Recreational Facilities". The Association and the owner of the Golf Course Property shall have the right to establish easements and cross easements for access, drainage, utilities and other purposes which are agreed upon by both entities, and deemed mutually necessary (and desirable) for both to fully enjoy and utilize their respective properties in harmony with each other, provided that this does not result in increased usage of or access to the Community Recreational Facilities, or the roadways within the Silverthorn development.

2. Use of Community Recreational Facilities. Use of Community Recreational Facilities is limited to Association members, their guests and tenants, and guests of tenants. No use is permitted by any non-residents unless specifically authorized by the Board of Directors, and fees for such usage by non-residents (including four members of the Country Club who have previously been given the right to use the swimming pool, tennis court, and fitness center) are to be established by the Board.

ARTICLE III

AGREEMENT TO JOIN ASSOCIATION;
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership

1. Every person or entity who is an owner of record of a fee interest in any Lot, or which is purchasing one or more Lots, under a contract or purchase agreement within the properties shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, this Declaration, the Bylaws, and all the Rules and Regulations. For this purpose, ownership of a Lot, under any unit ownership arrangement or agreement shall be deemed ownership of a Lot. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. Ownership of such Lot shall be the sole qualification for membership. When any Lot is owned of record in joint tenancy or tenancy in common or by some other legal entity, or when two or more persons or other legal entity are purchasing one or more Lots under contract or agreement of purchase, the membership as to such unites) shall be joint and the rights of such membership (including the voting power arising therefrom) shall be exercised only as stipulated in Section 2 hereinbelow).

2. To the maximum extent allowed by law, during any period in which a member shall be in default in the payment of any annual, special or other periodic assessments levied by the Association, such member's voting rights and right to the use of the Common Area or any other facilities which the Association provides may be suspended by The Board of Directors after following all of the procedural requirements set forth in the Florida Statutes and the governing documents of the Association, as the same may be amended from time to time.

3. No membership fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each member's lot as specified in the Declaration, the By-Laws, or as the members of the Association may from time to time hereafter adopt.

Section 2. Voting and Voting Rights.

1. The voting rights of the membership shall be appurtenant to the ownership of the Lot. There shall be one class with respect to voting rights. Members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

2. To the maximum extent allowed by law, any member who is delinquent for more than ninety (90) days in the payment of any charges duly levied by the Association against a lot owned by such member, shall not be entitled to vote until all such charges, together with such reasonable interest, late fees, costs and attorneys' fees as the Board of Directors of the Association may impose, have been paid.

3. Voting on all matters shall be by written ballot, or by proxy for those not attending meetings.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREAS/COMMUNITY PROPERTY

Section 1. Members' Easement of Enjoyment. Subject to the provisions of Section 3 below, every member of the Silverthorn/Hernando Homeowners' Association shall have a non-exclusive right and easement of enjoyment in and to the Community Properties and such easement shall be appurtenant to and shall pass with the title to every dwelling unit situated within Silverthorn.

Section 2. Title to Community Properties. The Silverthorn/Hernando Homeowners' Association shall retain the legal title to the Community Properties.

Section 3. Streets. All paved streets and sidewalks within Silverthorn are to be private thoroughfares to be used only by Association members, their guests and invitees, except as provided below. Those persons requiring access to the facilities of Silverthorn Country Club are limited as set forth below. Control of access is under the jurisdiction of the Association, and this includes all entrances, use of gate security guards, access control devices and non-member passes of any kind. Non-residents requiring access to the facilities of Silverthorn Country Club during operating hours of the facilities of the Club must enter through the front gate off Barclay Avenue and proceed directly on Silverthorn Boulevard to the country club facilities, and must exit the Silverthorn community in the same manner. No use of any other roads is permitted by such non-residents, or by any other persons except as specifically provided for in this Declaration, or except as necessary for the use of the Club facilities by Club members or guests. Streets may at some future date be dedicated to Hernando County or the appropriate governmental body upon the affirmative vote of a majority of all Association members.

Section 4. Extent of Members' Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

1. The right of the Association to limit the use of the Common Area to Dwelling Unit or Lot occupants, their families and bona fide guests in accordance with written rules and regulations promulgated by Association from time to time.

2. The rights of the Association to suspend the voting and enjoyment rights of an owner for any period during which any assessment against his unit remains unpaid, or for any infraction of the Association's published rules and regulations;

3. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedications or transfer shall be effective unless the membership, who are entitled to vote, agree to such dedication or transfer by at least a majority of the total votes, provided that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cable vision, water and sewerage, utilities and drainage facilities and the like upon, over, under and across the common area without the assent of the membership when such easements are reasonably necessary for the convenient use and enjoyment of the properties.

4. The right of the Association to impose reasonable covenants and restrictions in respect to such community properties, in addition to those set forth therein at the time of conveyance of such properties to the Silverthorn/Hernando Homeowners' Association and such covenants and restrictions will be incorporated by reference and made part of this Declaration.

Section 5. Extension of Rights and Benefits. Every member of the Silverthorn/Hernando Homeowners' Association shall have the right to extend the rights and easements of enjoyment vested in him under this Article to his tenant(s) and to each member of an occupant's family who resides with him within Silverthorn and to such other persons as may be permitted by the Silverthorn/Hernando Homeowners' Association.

Section 6. Surface Water Management System. The Surface Water Management System, which includes associated lakes, drainage retention areas, water management areas, culverts, ditches, structures and related appurtenances (hereinafter the "System"), which services the Property has also been designed to blend with, compliment and serve the Golf Course Property. The Developer has granted and established, for the benefit of the Property and Golf Course Property, non-exclusive, perpetual, reciprocal easements over those areas of the Property and Golf Course Property depicted as a "Drainage Retention Area" or a "Drainage Easement" on the General Plan of Development to the extent necessary for use and maintenance of the System.

Normal maintenance of that portion of the Surface Water Management System located on the Golf Course Property shall be the responsibility of the Developer's successor in interest, which shall be the owner(s) of the Golf Course Property from time to time, unless those portions of the System located on the golf course property are dedicated to an appropriate agency of local government for such purpose. Extended maintenance of that portion of the Surface Water Management System which is located on the Golf Course Property and which only serves that property will be the responsibility of the owner of the Golf Course Property. Extended maintenance of that portion of the Surface Water Management System which serves the property which is managed by the Homeowner's Association will be responsibility of the Homeowner's Association. The Homeowner's Association and the owner of the Golf Course Property may enter agreements from time to time to clarify their rights and duties. If the permits are modified in the future, the responsibility for maintenance will be adjusted to conform with the requirements of the permits. If the owner of the Golf Course Property fails to undertake normal maintenance or extended maintenance of the areas which it is responsible for maintaining, in accordance with industry standards and any agreements which may be entered with the Homeowner's Association, it shall be responsible for any increased costs of extended maintenance and any fees incurred by the Homeowner's Association. Prior to performing any work on property which is the responsibility of the Golf Course Property, the Homeowner's Association will provide the owner of such property with reasonable notice of the alleged deficiencies in the maintenance work which the Golf Course Property is responsible for, and of the intention of the Homeowner's Association to perform such work and to seek to recover all related costs and fees. Normal and extended maintenance of that portion of the Surface Water Management System located on the Property (other than the Golf Course Property) shall be the responsibility of the Homeowner's Association, for as long as the Association owns the Property,

and thereafter by its successor in interest, unless those portions of the System located on the Property are dedicated to an appropriate agency of local government for such purpose.

For the purposes of this section, normal maintenance shall be considered to be landscape maintenance services including those performed on a regular basis such as mowing, irrigation and fertilization. Extended maintenance shall be considered to be replacement, repair, or restoration of drainage retention areas or storm water improvements including but not limited to inlet structures, pipes, weirs, spillways and outlet structures.

It shall be the responsibility of each property owner within Silverthorn at the time of construction of a building, residence or structure, to comply with the construction plans for the Surface Water Management System pursuant to Chapter 40D-4, F.A.C., as approved and on file with the Southwest Florida Water Management District.

Section 7. Boat and RV Parking Facility. A parking facility for boats, recreational vehicles and trailers may be provided from time to time by the owner of the golf course property on which such facility is located. Fees to be charged for such usage shall be determined solely by the owner of the affected property. In the event this privilege is withdrawn, owners of boats, trailers and RVs will have to use off-site facilities. Security of the boat, trailer and RV parking area and the provisions of utilities to users are under the control of the owner of the Golf Course.

Section 8. Irrigation System.

1. The Common Area shall be served by a landscape irrigation system. As of the summer of 2005, the Golf Course and the Silverthorn Homeowners' Association do not share a common irrigation system, except for an area near the Firethorn Point entrance gate. The owner of the Golf Course Property is providing irrigation for these areas and is to continue to do so unless and until the Association develops an acceptable irrigation alternative. The Association, on behalf of the owners in Firethorn Point as to the area near the entrance gate, and on behalf of the entire membership in regard to the land adjacent to Silverthorn Boulevard, will reimburse the owner of the Golf Course Property for the cost (if any) of any irrigation being provided to such areas of Silverthorn, with the procedure for any reimbursement to be mutually agreed upon. As to each of such areas, reimbursement to the owner of the Golf Course Property shall cease once the common irrigation system is no longer utilized for its irrigation. The Association shall be responsible for and shall maintain in good condition and repair the irrigation system serving the Common Areas, Sterling Run Villas, Regal Trace Villas and Bristol Pond Villas (all such villas being further defined in Article V, Section 4 of this Amended and Restated Declaration). The Developer's successors in interest to the ownership of the Golf Course Property shall be responsible for and shall maintain in good condition and repair those portions of the landscape irrigation system located on the Golf Course Property.

2. The Association and the Developer's successors in interest shall cooperate as necessary to ensure that appropriate irrigation coverage is provided to both the Common Area and the Golf Course Property.

3. No wells of any nature shall be sunk or drilled for any reason or purpose on any Lot within the attached villa area or on any Lot within those portions of the detached villa areas served by the common irrigation system, other than wells which are provided by the Association for irrigation purposes.

ARTICLE V

COVENANTS AND ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Owner of any lot within Silverthorn by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other (contract for deed) conveyance, shall be deemed to covenant and agree, to pay to Silverthorn/Hernando Homeowners' Association: (1) annual assessments or charges; (2) special assessments for maintenance, repair or restoration; and (3) special assessments for capital improvements and for such other purposes as set forth herein; such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and all costs of collection thereof as hereinafter provided, shall be a charge on the land and improvements thereon, and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest thereon and all costs of collection as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used to provide funds for such services as the Association may determine are for the benefit of its members, which purposes may include general maintenance, landscaping and beautification of the Common Areas, and the maintenance and/or repair of all improvements thereon, as well as any maintenance services which are to be provided for any of the lots or units in Silverthorn pursuant to this Amended and Restated Declaration. Said funds shall also be used to provide for maintenance or improvements to storm water improvements and DRAs (Drainage Retention Areas) over which the Homeowners' Association has maintenance responsibility or to pay for the cost of improvements to these systems. Common Areas may also include public easements held in favor of the Association or other lands and improvements thereon. Funds may also be used to provide other services for the Association members, to promote the health, safety, and welfare of the residents of the community and in particular for the improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Area, including but not limited to the cost of repair, replacement and additions thereto; the cost of labor, equipment, materials, management and supervision thereof; the payment of taxes assessed against the Common Area; the procurement and maintenance of insurance; the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful; the employment of security personnel to provide any service which is not readily available from any governmental authority; to provide reserves for replacement of Common Improvements; and such other needs as may arise.

Section 3. Exempt Property. The assessments, charges and liens created under this Article V shall not apply to the Common Areas, the Golf Course Property, any unit which the

Association may hereafter designate for common use as part of the Common Area. In addition, all property dedicated to or used by a utility company shall likewise be exempt.

Section 4. Annual and Original Assessments.

1. Annual Assessment. The annual assessment shall be based upon the budget for operation and maintenance adopted by the Board of Directors of the Association from time to time.

2. Increase in Assessments. The annual assessment applicable to all Lots may be increased each year not more than 20% above the maximum annual assessment from the previous year's budget without a vote of the membership. The maximum annual assessment may be increased above 20% by a majority vote of the Lots who are voting, in person or by proxy, at a meeting duly called for this purpose. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

3. Detached Villa Maintenance Assessment. The costs and expenses of providing services including grounds maintenance and exterior painting for Bristol Pond, Regal Trace and Sterling Run as to detached villa units as more fully set forth in Paragraph 2.2 of Article VII, Section 3, entitled "Maintenance", and as more fully explained in the published "Villa Maintenance Guide", as the same may be amended from time to time, shall be allocated equally among the Owners of the Units/Lots for whom such services are being, or are to be, performed within each area (i.e., one rate for Bristol Pond lots, one rate for Regal Trace lots, and one rate for Sterling Run). Said assessment shall be fixed against each Unit/Lot within the detached villa area and collected in the same manner and at the same time as the annual assessments provided elsewhere in this Declaration. Further, the assessments against the detached villa properties may include assessments for reserves to be established. As to any reserve accounts which are established for restricted purposes (e.g., painting), the funds in such reserve accounts shall not be used for any other purposes without approval of the Board of Directors and without a vote of a majority of the voting members in the particular detached villa development for which the reserve account has been established.

(a) The legal descriptions for the detached villa lots which are referred to herein are as follows:

(i) Lots 3 through 18, Block 10; and Lots 1 through 5, Block 11; Silverthorn Phase One, as recorded in Plat Book 28, Page 42 (Bristol Pond);

(ii) Lots 1 through 105, inclusive of Silverthorn Phase III, The Villas at Bristol Pond, as shown in Plat Book 29, Pages 28 through 30, of the Hernando County, Florida Public Records (referred to as Bristol Pond);

(iii) Lots 105 through 195, Silverthorn Phase 2B, as shown by the plat recorded in Plat Book 31, Pages 21 through 24 of the Hernando County Public Records (referred to as Regal Trace);

(iv) Lots 1 through 65, pursuant to Silverthorn Phase IV – A as replatted at Plat Book 32, Pages 5 through 7 (referred to as Sterling Run).

4. Attached Villa Maintenance Assessment. The costs and expenses of providing grounds maintenance to Lots and maintenance of the exterior of the Dwelling Units within the attached villa area as set forth in Paragraphs 2.3 of Article VII, Section 3 of this Amended and Restated Declaration, shall be allocated equally among the Owners of the Lots for whom such services are being, or are to be, performed. Said assessment shall be fixed against each Unit/Lot within the attached villa area and shall be collected in the same manner and at the same time as the annual assessments provided elsewhere in this Declaration. Further, the assessments against the attached villa properties may include assessments for reserves to be established. As to any reserve accounts which are established for restricted purposes (e.g., painting, roofing), the funds in such reserve accounts shall not be used for any other purposes without approval of the Board of Directors and without a vote of a majority of the voting members in the Sterling Run attached villa development for which the reserve account has been established. The attached villa lots are only located within Sterling Run, and these are legally described as Lots 1 A and 1 B through 85A and 85B, Silverthorn Phase 4, as shown in Plat Book 31, Pages 7 through 10, less and except Lots 3A - 11 b, Lots 37 A - 65b, and Lots 82A - 85B, pursuant to Silverthorn Phase IV - A, as replatted at Plat Book 32, Pages 5 through 7, Public Records of Hernando County, Florida (these latter lots are replatted as detached villas). The maintenance responsibilities for the attached villas are set forth in Article VII, Section 3 of this Amended and Restated Declaration.

5. Other Assessments: Firethorn Point. The costs and expenses associated with the providing of private access or other specific amenities, such as a private gate system, which are only of benefit to this area, as determined by the Board of Directors, shall be allocated equally to each Lot that benefits from these amenities. These expenses will be collectible in the same manner as other unpaid assessments. The 22 lots which are subject to these additional charges are designated as "Estate Lots", and are legally described as Lots 196 through 217 of Silverthorn Phase II-B, as shown in Plat Book 31, Pages 21 through 24 of the Hernando County Public Records.

Section 5. Special Assessments.

1. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, through the Board of Directors, in any assessment year, a special assessment, not exceeding \$10,000.00 applicable to that year only. A special assessment for capital improvements that exceeds \$10,000.00 may be approved, provided that any such assessment shall have the same assent of the members as provided in Paragraph 2, Section 4 of this article.

2. Special Assessment Against Particular Lot(s). In addition to the assessments described above, the Association may levy a special assessment against a particular lot to recover damages or expenses chargeable against that lot for any negligent or intentional acts of the lot owner, his family, guests, invitees, agents or tenants which cause damage to Common Property. A special assessment may also be imposed against a Lot for necessary maintenance, restoration or repairs which are the responsibility of the Lot Owner, and which the Lot Owner fails to

perform, as provided for in other sections of this Amended and Restated Declaration, without approval of the membership. The Association shall provide notice to the lot owner of any proposed special assessments, and then shall provide to the lot owner a written notice stating the amount of and the due date for the payment of such special assessments. The Association shall have all lien and foreclosure rights as set forth in the Declaration for any assessments.

Section 6. Notice and Quorum for any Action Authorized Under Section 4 and 5 Requiring Membership Approval. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4 and 5 of this Article shall be sent to all members affected by the proposed assessment, not less than twenty (20) days and not more than sixty (60) days in advance of the meeting. At any such meeting called, the presence in person or by proxy of members entitled to cast a majority of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessment, Due Dates, Certificate of Payment. Approximately thirty (30) days preceding January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Unit/Lot and, in the event the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's annual assessment shall be the fixed amount until such time as the assessment rate is fixed. Written notice of any changed assessment rate shall be sent to every owner. The due dates for payment of annual and special assessments shall be established by the Board of Directors. The Association shall, upon demand and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Dwelling Unit/Lot have been paid to date. The Board will decide how often assessments are collected.

Section 8. Effect of Non-Payment of Assessment; Remedies of the Association; the Personal Obligation of the Owner; the Lien.

1. Any assessment (including any fine imposed pursuant to Article IX, Section 5 hereof, to the maximum extent allowed by law) which is not paid when due shall be delinquent. If the assessment is not received within ten (10) days after the due date, it shall bear interest from the date of delinquency at the highest rate allowed by law, and the Association may also impose a reasonable late fee. The Association, acting through its Board of Directors, may bring an action at law against the owner personally obligated to pay the same, and/or foreclose the lien against such Owner's Lot(s), and interest, costs, late fees and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Unit or Lot.

2. If the assessment (including any fine imposed pursuant to Article IX, Section 5 hereof) is not received within thirty (30) days after it becomes due, then the Association shall have a right to a continuing lien on the delinquent Lot, upon the recording of a claim of lien, which lien shall continue until the delinquent assessment is paid. Each Owner of any Lot by

acceptance of a deed therefore or other conveyance, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant, which covenant shall run with the land, that such lien is superior to any homestead rights of the Owners. Such lien shall relate back in time to the recording date of the original Declaration (July 8, 1994), and will be superior to all liens recorded after that date except for the lien of first mortgage holders and any liens for unpaid real estate taxes. Such lien shall be foreclosed in the same manner in which mortgages are enforced and foreclosed. The Association, by and through its authorized officers, shall, from time to time, upon the request of an Owner or mortgagee, issue certificate, stating the amount of any assessment due with respect to such Lot, and any third party may rely on such certificate, and the Association shall be bound thereby.

3. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, then to any fine imposed pursuant to Article IX, Section 5 herein (if permitted by the Florida Statutes), then to any delinquent assessment.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall relate back to the date of the recording of the original Declaration, and shall be superior to all other liens, save and except ad valorem real estate tax liens and first mortgage liens. Sale or transfer of any unit which is subject to a first mortgage as herein described, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, where the first mortgage holder acquires title, shall extinguish the lien of such assessments as to payments thereof which became due prior to sale or transfer, except to the extent that the Florida Statutes, as amended from time to time, require the first mortgage holder to pay part or all of the past-due amounts owed to the Association. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, and shall not relieve the Lot Owner(s) from personal liability for assessments which came due while they were the owner(s), or unpaid assessments which came due against a prior Owner which are owed by a purchaser other than a first mortgage holder, to the maximum extent allowed by the Florida Statutes, as amended from time to time. Any delinquent assessments which are extinguished pursuant to the foregoing provision may be reallocated and assessed to all of the units as a common expense.

ARTICLE VI

ARCHITECTURAL REVIEW

Section 1. Approval of Plans and Architectural Review Committee. The Architectural Review Committee (the "Committee" or the "ARC") shall be appointed by the Board of Directors. All Committee members shall either be owners of property in Silverthorn or the spouse of an owner.

1. No building, fence, wall, utility yard, driveway, swimming pool, swimming pool enclosure or other structure or repairs and/or improvement, regardless of size or purpose, whether attached to or detached from the main structure, shall be commenced, placed, erected or

allowed to remain on any Lot, nor shall any addition to or exterior change or alteration thereto be made (including painting), unless and until building plans and specifications covering same, and such other information as the Committee may require, shall be submitted with an application for approval. Depending upon the nature of the proposed alteration, the Committee may require only a basic explanation of the proposal; or in the event of substantial alterations, additions, or reconstruction, the Committee may require plans and specifications showing the nature, kind, shape, heights, size, materials, floor plans, roof pitch and roof material, exterior color schemes, location and orientation and approximate square footage, construction schedule, front, side and rear elevations and such other information as the Committee shall require, including, if so required, plans for the grading and landscaping showing any changes proposed to be made in the elevation or surface contours of the land, have been submitted to and approved in writing by the Committee. All architectural, remodeling and/or landscape plans must be accompanied by site plans which show the siting of structures on each side of the building under consideration.

2. The Committee shall have the absolute and exclusive right to refuse to approve any such building plans and specifications and lot-grading and landscaping plans which are not suitable or desirable in its opinion, based upon the considerations set forth below, subject to any right of appeal provided for in this Declaration. In the event the Committee rejects such plans and specifications as submitted, the Committee shall so inform the property owner in writing stating with reasonable detail the reason(s) for disapproval and the Committee's recommendations to remedy same if in the sole opinion of the Committee a satisfactory remedy is possible. In passing upon such building plans and specifications and lot-grading and landscaping plans, the Committee may take into consideration the suitability and desirability of proposed construction; the materials of which the same are proposed to be built; the aesthetic input of the proposed change or alteration; the quality of the proposed workmanship and materials; the harmony of external design with the surrounding neighborhood and existing structures therein; and the effect and appearance of such constructions as viewed from neighboring properties. In addition, there shall be submitted to the Committee for approval such samples of building materials proposed to be used as the Committee shall specify and require.

The Board of Directors may require an Owner to restore to the original condition, at Owner's expense, any exterior addition, change or alteration which was made without the Committee's approval.

The Committee will have the authority to develop and adopt guidelines and criteria to be used in connection with the review of applications, provided that the Board of Directors will have the final authority to approve and revise such guidelines and criteria, as well as adopting its own construction guidelines and other relevant specifications, in regard to improvements which are to be permitted in Silverthorn. One guideline which must be addressed is the manner in which notice is to be provided to adjacent property owners of any application for an alteration which may significantly impact such owners.

Section 2. Prerequisites. As a prerequisite to consideration for approval, and prior to beginning the alteration or improvement work contemplated, one (1) complete set of plans and specifications, specifically including landscaping and irrigation plans, and material and sample

boards, must be submitted to the Committee. Depending upon the nature of the proposed alteration or improvement, a complete set of plans may not be required. The applicant needs to submit such information as the Committee needs to properly consider the request, and if the information and documentation is not adequate the application will not be considered complete and the applicant will be so advised. Upon giving written approval, construction shall be started and prosecuted to completion promptly, and in strict conformity with such plans and specifications. The Association, acting on behalf of the Committee, shall be entitled to stop any construction in violation of these restrictions, and any such exterior addition to or change or alteration made without application having first been made and approval obtained as provided above, shall be deemed to be in violation of this covenant and may be required to be restored to the original condition at Owner's cost.

Section 3. Application Fees. The Committee shall have the right to charge a reasonable fee for receiving and acting upon each application for approval. The amount of such fee will be established by the Board of Directors from time to time to offset administrative and other related costs.

Section 4. Appeal Process. A written appeal of any final approval or final disapproval by the Committee may be made to the Board of Directors within fourteen (14) days from the date of the written approval or disapproval issued by the Committee. The applicant may appeal any disapproval, and any aggrieved homeowner who is adversely affected by the approval of an alteration or other decision by the Committee may also appeal such decision in writing to the Board of Directors. The Board of Directors may also initiate an appeal on behalf of the Association, in order to consider reversing a decision of the Committee, in the event that the Board determines that a decision made by the Committee may adversely affect property values in the community, or adversely impact neighboring homes; may potentially expose the Association to legal liability; or in the event that the Committee takes an action which is not permitted in the existing governing documents, rules and guidelines. For this reason, any approval that is given shall state that no work is to be undertaken on the proposed alteration until any appeal period has expired, or until final action has been taken in regard to an appeal. In connection with any appeal, the Board will request that a representative of the Committee be present. Following the hearing on appeal, the Board may either uphold the decision of the Committee, or reverse or modify such decision. The Board's decision on appeal will be final, and will be reduced to writing.

Section 5. The Covenants Compliance Committee. A Covenants Compliance Committee ("the CCC") may be appointed by the Board of Directors, and its members shall serve for such period of time as determined by the Board. The CCC will be responsible for assisting the Board in assuring compliance with the covenants, including such duties as are delegated to the CCC by the Board. In the alternative, the Board may designate one or more representatives to assist the Board in connection with these issues.

ARTICLE VII

ARCHITECTURAL, MAINTENANCE AND USE RESTRICTIONS

The following architectural, maintenance and use restrictions shall apply to each and every Lot or any structure now or hereafter subjected to this Declaration:

Section 1. Living Area.

1. No residence shall be erected or allowed to remain on any Lot within the Existing Property unless the living area in the main residence, exclusive of screened porches, garages, and non-air conditioned storage rooms shall equal or exceed the following requirements, unless a larger amount of living area is required by this Declaration for the particular phase in which the property is located:

- a. 2,000 square feet on Lots which abut the Golf Course Property,
- b. 1,700 square feet on Lots which do not abut the Golf course Property except as provided below, and
- c. 1,200 square feet on Lots having a surface area of 6,500 square feet or less (Bristol Pond and Sterling Run detached villas),
- d. Sterling Run attached villas shall equal or exceed 850 square feet,
- e. Lots 105 through 195, Silverthorn Phase 2B – 1,375 square feet (Regal Trace),
- f. Lots 196 through 2056 and Lot 217, Silverthorn Phase 2B – 2,500 square feet (Firethorn Point),
- g. Lots 207 through 216, Silverthorn Phase 2B – 2,200 square feet (Firethorn Point).

2. The Board of Directors of the Association shall have the right to modify the living area requirements applicable to any Lot or Lots when, in its sole and unrestricted discretion, it determines that special circumstances exist which warrant such modification. Notice of any such modification shall be recorded in the official Records of Hernando County.

3. All single family dwellings shall have at least a two-car enclosed garage with sufficient space to park two (2) automobiles. All driveways shall provide off-street parking for at least two (2) automobiles.

Section 2. Land Use.

1. Only one private dwelling shall be erected, constructed, placed or maintained on anyone of the residential platted Lots, except that more than one lot may be used for one private residence. Except as may be specifically provided herein, sheds and other outbuildings are not permitted on any Lot.

2. No structure of a temporary nature or character shall be used as a residence.

3. No building or structure shall be moved onto any Lot in the area covered by these restrictions, it being the intent of this imposition of restriction that any and all buildings or structures on any of the Property shall be constructed thereon.

4. No building or part thereof erected for use as a garage upon any Lot therein shall be used as a residence.

5. All dwellings shall be constructed with driveways of concrete or other approved materials, completely sodded lawns of floritam or St. Augustine hybrid, except for other types of ground cover which are specifically required to be permitted by the Florida Statutes, as amended from time to time, with automatic underground irrigation systems, sidewalks the width of the Lot along the edge of all road right-of-ways, and approved landscaping. Mailboxes shall be constructed in the form or forms designated by the Association. Maintenance and repair or replacement of all improvements on the Lot is the responsibility of the Owner, except as otherwise specifically provided in this Amended and Restated Declaration.

Section 3. Maintenance.

1. Except as provided in paragraph 2.2 relating to the detached villa area and paragraph 2.3 relating to the attached villa area, all Owners shall mow and maintain Lots prior to and during construction so as not to detract from value of surrounding area.

2. Except as otherwise specifically provided for herein, all Lots, together with the property between any Lot and the paved area of any street which borders the Lot, and the exterior of all improvements (if any) located thereon, shall be maintained in a neat and attractive condition by the respective Owners. Such maintenance shall include, but not be limited to painting, repairing, replacing, and caring for roofs, gutters, downspouts, building surfaces, trees, shrubs, walks, cleaning any sidewalks and driveways, lawns, landscaping which is located between the sidewalks and the paved area of the roadway that is adjacent to the Owner's property, the mailbox which serves the Owner's Lot, and other improvements on the portion of the property between any Lot and the paved area of any street which borders the Lot, irrigation systems and other exterior improvements. The Association will be responsible for the repair of cracks or any deficiencies in the sidewalks, which does not include damage caused by roots from a tree which is located on the Lot of the homeowner.

2.2 Notwithstanding anything in this Declaration to the contrary, on Lots within the detached villa home areas (see Article V, Section 4 for a legal description of all detached villa areas), the Association shall maintain, at the expense of all Owners in the detached villa areas involved (see the legal description of the detached villa areas in Article V, Section 4, Paragraph 3), all yard areas which are not enclosed. Enclosed yard areas shall be maintained by the Owners of each respective Dwelling Unit. Such maintenance shall commence once sod or landscaping improvements are installed on the Lot. Maintenance provided by the Association to Lots within the detached villa home area shall include but not be limited to the irrigation system (this does not include system additions, re-routing of lines or sprinkler head extensions, but only maintenance of the originally installed system as determined by the Association in its sole discretion), grass cutting, tree and shrub trimming (provided that the Lot Owner is responsible for any trimming above 8 feet from ground level) lawn edging, lawn fertilization, tree and shrub

fertilization, landscape and yard irrigation and mulching. Tree and plant replacement shall be performed at the option of the Association, and otherwise will be the responsibility of the Owner, and different trees and plants may be substituted for those which the Association determines are to be replaced. The services to be provided are outlined in more detail in the published "Villa Maintenance Guide", as the same may be amended from time to time, although in the event of a conflict between this Declaration and the Guide, the Declaration will control.

(a) In addition to maintenance of the yard areas mentioned above, the Association shall be responsible for exterior painting of each Unit within the detached villa home areas. Exterior painting shall not only include painting of all original surfaces and structures including downspouts, soffits, gutters as defined in the Villa Maintenance Guide, but also those activities which the Association finds reasonably necessary to prepare for painting including but not limited to pressure washing, scraping, sanding or otherwise removing blistering or peeling paint, patching of cracks or holes in stucco, replacing deteriorated wood siding, and sealing and priming of exterior surfaces. Exterior painting shall be performed at such times, on such dates, at such intervals, and to such units as the Association may reasonably deem appropriate. The Association will use the available reserve funds for the affected detached villa area to pay for the work, and either budgeted funds or proceeds of a special assessment to pay any remaining balance.

2.3 On Lots within the attached villa area (described in Article V, Section 4), the Association shall provide all of the services set forth in Section 2.2 above, and additionally shall provide for repair and replacement of the common roofs for these units. Roof repair and replacement will include repair and/or replacement of shingles, as well as the underlayment beneath the shingles and the wood decking which forms part of the roof system. The individual villa owner will be responsible for repairing any damage to roof trusses or other portions of the unit except for the areas described above. The Association will only be responsible for repair and replacement of roofs based upon ordinary wear and tear, or defects in the materials or installation. In the event of damage caused to a roof by an insurable event, including but not limited to a storm, fire, or other casualty, the Owners in the affected building are to use insurance proceeds which may be available, and supplement these as needed in order to make the necessary repairs. All work must be done on behalf of such Owners by licensed and insured contractors, and with the prior written approval of the Board of Directors of the plans and specifications for such work. If any owner fails or refuses to pay his or her share of the costs for such repairs, or to perform the work, the Association may do so on behalf of the Owner after reasonable prior notice by certified mail or hand delivery of the intent to do so. In such event, the Association shall be entitled to recover from the Lot Owner all costs incurred, as well as interest at the highest rate allowed by law, and attorneys' fees. All such amounts shall be a lien against the Lot Owner's property upon the filing of a Claim of Lien, collectible in the same manner as a lien for unpaid assessments, and shall also be the personal obligation of the Owner(s), jointly and severally. Exterior painting shall not only include painting of all original surfaces and structures including downspouts, soffits, gutters as defined in the Villa Maintenance Guide, but also those ordinary activities typically performed prior to painting which the Association finds reasonably necessary including but not limited to pressure washing, scraping, sanding, or otherwise removing blistering or peeling paint, patching of cracks or holes in stucco, minor replacement of deteriorated wood, and sealing and priming of exterior surfaces.

(a) Exterior maintenance shall be performed at such times, on such dates, at such intervals, to such Units, and to such extent as the Association may reasonably deem appropriate, with the intention that the Units be maintained in a condition comparable to their original condition, normal wear and tear expected.

(b) Notwithstanding anything contained to the contrary herein, the Unit Owner shall be responsible for the maintenance, cleaning and repair of his Unit and any improvements constructed thereon in accordance herewith. If extraordinary repairs are required prior to painting, as determined by the Association, the Association may require the Unit Owner, or all Unit Owners in the attached villa building if appropriate, to pay all costs of such extraordinary maintenance with the work to be performed by the Association and the allocation of all costs to be determined by the Board of Directors.

(c) The individual owners of units in an attached villa building will be responsible for coordinating exterior termite and pest control, and interior pest control and termite treatment. If an infestation occurs which requires the tenting of a building, the unit owners in the affected building are to share the cost of the tenting and will cooperate in regard to the evacuation of their unit as required in order to allow any necessary treatment to be conducted.

(d) In connection with any dispute between owners of units in an attached villa building, if the dispute cannot be resolved through negotiation or mediation, they may either agree to resolve the dispute through binding arbitration, or otherwise the courts will resolve the dispute. The prevailing party in any arbitration or litigation will be entitled to recover costs and reasonable attorneys' fees.

3. In the event that any Lot Owner shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Association, after approval by a majority vote of its Board of Directors, the Association shall have the right, through its agents and employees, to enter upon said Lot and the exterior of the buildings and any other improvements erected thereon and perform such maintenance as approved by the Board following reasonable notice (at least 10 days except for an emergency situation). The cost of such exterior maintenance shall be added to and become part of an assessment to which such lot is subject, and shall be immediately due and payable upon demand, and Owner shall also be personally liable to the Association for the costs of such maintenance, and the costs, and other charges, until paid, as well as interest, costs and any attorneys' fees incurred in connection with the enforcement action, shall be a continuing lien upon such Lot upon the recording of a Claim of Lien.

(a) Entry to perform maintenance shall be only between the hours of 7:00 a.m. and 6:00 p.m. on any day except Sunday. No work of contractors, except for garbage collection, will be performed on Sunday, or on Christmas, Thanksgiving, Labor Day, Memorial Day, New Year's Day and the Fourth of July, except in an emergency situation. Such entry as herein provided shall not be a trespass, nor shall the Association be liable for doing anything reasonably necessary or appropriate in connection with carrying out these provisions. These same hours apply with regard to any contractor performing work within SILVERTHORN.

4. To preserve the natural integrity and beauty of the land, water runoff, etc., no trees, shrubs, bushes or other vegetation having a diameter of three (3) inches or more shall be cut, destroyed or mutilated except with the prior written consent and permission of the Association; provided, however, that dead or diseased trees, shrubs, bushes, or other vegetation shall be cut and removed promptly from any Lot by the property owner thereof after such dead or diseased condition is first brought to the attention of the Association and permission for such cutting and removal has been obtained.

5. All Lots shall have automatic irrigation systems irrigating lawn and planted shrubs. Owners may have wells installed for irrigation use only, subject to approval by the ARC. All lawns will be planted with floritam or other St. Augustine hybrid sod, or such other sod which may be approved for use by the Board of Directors from time to time. Except where its use complies with the intention set forth in Florida Statutes, Section 373.185(1)(b), as the same may be amended from time to time, other sods shall not be permitted.

6. Unless otherwise approved by the Architectural Review Committee, all metal windows shall have a black, white or bronze finish; wood windows will be painted in harmony with the exterior color of the house.

Section 4. Miscellaneous.

1. Any clothes drying lines must be placed to the rear of the property and not in the front yard. No clothesline shall be visible from the golf course, unless the Board determines that there is no other location on a Lot where a clothesline may be placed in order to be less objectionable. No line may be strung across any yard. An umbrella style or folding frame may be used during daylight hours only and shall be removed at night and when not in use.

2. No mailbox, paper box or other receptacle of any kind for the delivery of mail, newspapers or similar materials shall be erected on any Lot, or on any Common Area, or on the property between any Lot and the paved area of any street which borders the Lot, unless and until the size, location, design and type of material for said box or receptacle shall have been approved by the Architectural Review Committee. Mail boxes and the installation of each shall be in compliance with United States Postal Service standards.

3. No boat, boat trailer, motor home, camper, commercial vehicle or commercial truck of any kind, trailer, or vessel shall be permitted to stay or park on a street right-of-way, Common Area, or on a Lot unless totally enclosed within a garage so as not to be visible from the exterior thereof. Boats, motor homes, campers and RV s may be stored in a designated Storage area, if any, for a fee. An exception to these parking restrictions will be allowed for the temporary parking of boats, boat trailers, motor homes, campers, or recreational vehicles for the purpose of loading or unloading such items or vehicles, provided that: (a) such items or vehicles may only be present for a maximum of twelve (12) hours at any one time, and may not be parked overnight; and (b) such temporary parking for loading and unloading purposes is not to take place more often than two trips each month, including both loading and unloading as one trip. An exception to the prohibition of overnight parking of boats, boat trailers, motor homes, campers, and recreations vehicles may be granted up to four (4) times a year for each Owner

upon application and approval from the Association. A special permit must be obtained from the Association prior to such temporary parking, and the permit must be displayed conspicuously on the front of such items or vehicles at all times when they are parked on the property. No vehicle shall be parked except on driveway pads or within garages, or other paved areas designed and approved for such purpose, except that parking in the streets will be permitted except for parking between the hours of 2:00 A.M. and 7:00 A.M. which is strictly prohibited. The times and details for temporary parking in the streets and other areas in the community may be regulated in rules and regulations adopted by the Board of Directors from time to time, or pursuant to temporary written approval under special circumstances. Also, no vehicles shall be parked at any time so as to block pedestrian access along the sidewalks which run through the community.

4. (a) No house or other structure on any Lot shall be used for commercial, or business purposes. For purposes of this section, a commercial or business use is any use which shows or tends to show commercial activity of a Lot, including but not limited to signage; or regular visitation by customers or clients; or regular pick-up or delivery of supplies, materials, partially or completed goods; or any physical or tangible use which evidences any substantial level of commercial activity which is not consistent with the requirement that the property be used for single family residential purposes, in the sole discretion of the Board of Directors.

(b) No garage shall be used for residential or office purposes, either temporarily or permanently, except for any model homes which were originally constructed with office facilities in the garage.

(c) Each owner shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to the neighborhood.

(d) No noxious, offensive or illegal activity shall be carried on upon any Lot. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever, nor shall any substance, thing or material be kept upon any Lot which will emit foul or noxious odors, or that will cause any noise that will or might disturb the peace and quiet of the occupants or surrounding property. No trash, rubbish, stored materials, or storage tanks or facilities, off-road, wrecked, unlicensed or inoperable vehicles or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other such debris for pickup by garbage and trash removal service units.

(e) In the event that any Owner of any Lot fails or refuses to keep such property free from any of the foregoing unsightly items, weeds or underbrush, the Association may, at its option, ten (10) days after posting a notice thereon and mailing a notice to said Owner of the Lot to comply with requirements of this paragraph, by regular and certified mail, enter and remove all such unsightly items and growth at said Owner's expense, and Owner shall be personally liable to the Association for the costs of removal, and the costs and other charges outlined below until paid shall be a permanent charge and lien upon such Lot (upon the recording of a Claim of Lien), in addition to the personal liability of the Owner. By acquiring property subject to these restrictions, each and every Owner agrees to pay such costs and all interest,

attorneys' fees and costs incurred in collecting the amounts due, as may be imposed against the Owner and Owner's Lot pursuant to this subsection, promptly upon demand by the Association. No such entry as provided herein shall be deemed as a trespass. The provisions of this section shall not apply to Lots upon which houses are under construction.

5. No window or exterior wall air conditioning units shall be installed.

6. Garbage and Trash Disposal. All trash, garbage and other waste shall be kept in sanitary containers and shall be kept within a garage, except when placed at a designated pickup location, not earlier than 6:00 p.m. on the day preceding the day of trash pickup. Trash containers must be removed and concealed from view on the same day as the trash pickup occurs.

7. *Deleted in its entirety pursuant to Certificate of Amendment to the Amended and Restated Declaration of Covenants and Restrictions of Silverthorn recorded 12/12/2007, Instrument #2007078401, Official Records Book 2517, Page 1212, Hernando County.*

8. Garage Sales, Tag Sales, Yard Sales, and any other related sales are prohibited on any individual Lot, however the Board may designate up to two (2) days a year, excluding Sundays, when community wide garage/tag/yard sales may be permitted. Estate sales may take place when a change in ownership of a residence occurs, and only when an application is made to the Board and the Board approves of the designated person managing the sale.

9. The Board of Directors will have the authority to adopt reasonable rules and regulations to further implement the Declaration and other governing documents of the Association, or to address issues which are not covered by the governing documents, so long as such rules and regulations are adopted in accordance with Florida law and are not in conflict with the governing documents or other applicable law. No such rules and regulations may require the expenditure of Association funds, except for enforcement of the rules.

Section 5. Walls, Fences, Hedges and Landscaping.

1. All landscaping plans, walls and hedges must receive prior written approval of the Architectural Review Committee, as provided for in Article VI of these restrictions, before implementation. The Association does not permit fences to be installed at individual homes/villas except for those fences required pursuant to governmental regulation such as fences enclosing a swimming pool or spa. Fences which are legally in existence as of the effective date of this amendment are "grand fathered" and will be permitted to remain, but such fences are not to be replaced, in whole or in part, without prior written approval by the Board of Directors. If fifty percent (50%) or more of a nonconforming fence needs to be replaced, this will not be permitted and the fence must be removed. Walls are only to be permitted in the event that these are determined to be necessary by the Board of Directors, and approved in writing, as retaining walls to prevent damage to property as a result of grading or other conditions which may lead to erosion or other damage if a retaining wall is not constructed.

2. No hedge or shrub which obstructs sight lines and elevations between two and six feet above the roadway shall be placed or permitted to remain on any corner Lot within the

triangle area formed by the street property lines and the line connecting them at points twenty (20) feet from the intersection of the street lines, or in a case of rounded property corner from the intersection of the property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of the street property line and the edge of the driveway. No trees shall be planted within such distance of such intersections unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight lines. No plantings of any type shall be placed or allowed to remain (unless said plantings received prior ARC approval) on any area between the sidewalk and the street.

3. No chain link fences shall be permitted upon a residential Lot except for the community perimeter fence. Chain link fences may be permitted in Common Area as deemed essential by the Association.

4. Shock collar fencing for the purpose of confining pets on a Lot shall be permitted only when installed and used as set forth in this subsection and in section 6, subsection 2 of this Article. Shock collar fencing is not to be used to confine a pet in a front yard. Shock collar fencing may be used to confine a pet in rear and side yards, but may not be used beyond the front of the building at any point. Further, on corner Lots shock collar fencing may not be used to confine a pet in the side yard which is adjacent to the road right of way (the "roadway side"). In such case shock collar fencing used in the rear yard may not extend beyond the roadway side of the building at any point. For the purposes hereof, "shock collar fencing" shall mean an electronic system to contain a pet within a predetermined boundary without the use of a physical barrier by delivering an electric shock to the pet if it crosses beyond the boundary.

Installation of shock collar fencing and modification, repair or replacement of existing shock collar fencing shall be subject to the approval requirements of Article VI of this Declaration. Boundaries of wireless shock collar fencing in existence on any Lot on December 1, 2015 must be adjusted to comply with the requirements of this subsection. Boundaries of wired shock collar fencing in existence on December 1, 2015 may remain in place until such time as the Lot is conveyed to a third party unrelated to the Owner or until the wired boundary requires substantial modification, at which time the wired boundary must be adjusted to comply with the requirements of this subsection. For the purposes hereof, "substantial modification" shall mean replacement or repair exceeding 50% of the wired boundary, or any repair or replacement of the wired boundary located outside of the allowable area as set forth above.

Section 6. Animals.

1. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any Lot, except household pets, for the sole pleasure and purpose of the occupants, but not for any commercial use or purpose. Birds shall be confined to cages and shall not be allowed to become a noise nuisance to surrounding property. Except for aquarium fish, in no event shall more than three (3) pets be housed on any Lot.

2. No person owning or having possession, charge, custody or control of any pet shall cause, permit or allow the pet to stray, run, be, go or in any other manner be at large in or upon any street, sidewalk or park, or on private property of others without the express or implied

consent of the owner of such private property. Pets shall be on a leash when outside of a Dwelling, or confined by shock collar fencing with the Owner present outdoors and actively monitoring the pet. Governmental or municipality animal control laws apply at all times, and are incorporated herein by reference. If any pet becomes a nuisance or an unreasonable disturbance to other residents at Silverthorn, the Board may require the removal of such pet, following notice to the pet owner and the opportunity for a hearing.

Section 7. Signs. No signs of any kind shall be displayed to the public view on any Lot except signs for sale of that property. Only one sign, not to exceed six (6) square feet, may be displayed on any Lot except that Lots abutting the golf course may display an additional sign, not to exceed six (6) square feet on the golf course side of their property. Sold signs may be displayed for a maximum of thirty (30) days, and must be removed immediately following the closing of the sale.

Section 8. Utilities.

1. All residential utility lines (including, without limitation, electricity, telephone, any and all types of radio and television lines, cables, etc.) to the Lots shall be underground.

2. Except as provided below, no Lot Owner shall install or permit any exterior antennas or satellite or communications device on any Lot, a building on a Lot, or a Common Area unless the same is concealed from public view by a screened enclosure attached to the rear of the residence and further buffered by landscaping which, within two (2) years of date of installation, will mature to a height at least as high as the antenna, satellite or communications device, which device shall not exceed ten (10) feet in height. Installation of any exterior antenna or satellite or communications device shall require the prior approval of the Committee. As to those satellite dishes which are less than one meter in diameter, and other communication equipment which are required to be permitted under federal law, such equipment is to be installed in a location which will minimize its visibility to other residents in Silverthorn, so long as such location still permits proper reception. Before installing any such dish or equipment the homeowner or occupant is to provide the Association office with a sketch or other indication as to where the proposed installation is to take place, and attempt to accommodate all suggestions of Association representatives as to the preferred location, as well as any screening or other measures which can reduce the visibility of the dish or equipment without adversely affecting reception or unreasonably increasing the cost.

Section 9. Wells and Lakes

1. No water well shall be sunk or drilled on any Lot for any use other than irrigation. Any irrigation wells must be approved in advance by the ARC and must be installed so as not to cause any potential damage to other properties. The Association may sink/drill wells as needed for irrigation purposes.

2. No owner or resident shall have any right to pump or otherwise remove any water from lakes for the purpose of irrigation or other use, nor to place rocks, stones, trash, garbage, sewer, water discharge from swimming pools or heating or air conditioning systems, waste

water(other than surface drainage), rubbish, debris, ashes, or other refuse in any of the lakes or retention area(s), or on any Common Area.

Section 10. Noxious Activities and Vehicular Control.

1. No noxious, inherently dangerous or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance to the neighborhood.

2. No commercial vehicles shall park on any Lot or Common Area, including any street, unless entirely concealed from view within a closed garage or in a designated storage area elsewhere on the property which has been designated for such purpose. Notwithstanding the foregoing, commercial vehicles used for construction, delivery or providing services may remain within the Property for so long as may be reasonably required to provide construction, delivery, or services to a Lot or to the Association. A commercial vehicle is one which has visible lettering, coloring, logo, tools or equipment on the exterior of the vehicle which indicates that the vehicle is designed or used for commercial purposes. A "commercial vehicle" also includes: (a) vans designed for commercial purposes, which determination is to be made by the Board based upon factors including the size of the van, the absence of passenger windows on the sides of the vehicle, and the absence of rear seats for passengers with space for carrying cargo present in place of such seats; and (b) trucks, including pickup trucks of any size, which evidence visible uses or modifications for commercial purposes. This includes trucks where items are carried or stored in open view (as opposed to being concealed in a storage box or other approved container). This also includes trucks where any commercial equipment, inventory, or apparatus is visible on the exterior of the vehicle. Occasional use of a truck by a resident for purposes of carrying or hauling items is not prohibited. A police car or other type of governmental vehicle shall not be deemed to be a commercial vehicle.

3. All golf carts must be electric powered and are to be registered with the Association and may only be operated on the roadways and Common Areas of Silverthorn by persons aged 14 or older. The Board of Directors may adopt rules and regulations prohibiting or limiting the use of golf carts, mopeds, and other similar types of motorized equipment on the roads and Common Areas. Golf carts are required to follow the rules of the road.

4. All vehicles which are permitted to be parked outside of the garage on a Lot are to be parked in the driveway, or on another paved area on a Lot which has been approved for this purpose. Vehicles are not permitted to be parked so as to extend onto any unpaved surfaces on the Lot, or into the street. No vehicle covers will be permitted on any vehicle parked outside of the garage.

5. Open burning of any materials, including the discharge of fireworks, is prohibited.

Section 11. Storage of Materials and Equipment Placement.

1. Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot. Any and all permitted equipment such as pool pumps, filters and/or

heating equipment, and woodpiles must be landscape buffered to conceal same from the view of the neighboring lots, roads, streets, the waterfront or open areas. Plans and equipment for said landscape buffer must receive written approval by the ARC prior to construction.

2. No lumber, brick, stone, cinder block, concrete or other building materials, scaffolding, mechanical devices or any other thing shall be stored on any Lot for longer than the length of time reasonably necessary to complete construction of the improvement for which same is to be used.

3. No above-ground tanks will be permitted for the storage of fuel or water or any other substances, except for water softener tanks, and any other tanks which are permitted for the storage of fuel and water in accordance with the rules and regulations, or guidelines, adopted by the Board of Directors or the ARC from time to time. Notwithstanding the foregoing, above-ground tanks as are necessary for Golf Course operation, including wastewater treatment and effluent irrigation systems are permitted. Water pressure tanks associated with irrigation wells may be above ground.

Section 12. Easement Rights. Easements are hereby expressly provided for and reserved in favor of the occupants of the Property, their guests and invitees, for ingress and egress over and about the Common Areas for the purpose of entering and leaving the Property and for vehicular traffic over and across such portions of any Common Areas as are used as roads and streets within Silverthorn. The rights provided under this easement shall be exercised by the foregoing parties in a manner so as not to interfere with the use and enjoyment of any Common Area by the dwelling occupants, their families, guests or tenants.

Section 13. Miscellaneous. Unless the Association expressly authorizes otherwise:

1. No Owner or occupant shall excavate or extract earth from any of the Lots subject to this Declaration without ARC's approval. No elevation changes shall be permitted which materially affect surface grade of surrounding Lots and all elevation changes must receive prior approval from the Committee. No Lot shall be increased in size by filling in the water it abuts.

2. No private or outside toilet facilities shall be constructed or maintained on any Lot other than those used during construction operations.

3. Encroachment Areas. Each Owner is hereby declared to have an easement, and the same is hereby reserved to the Association and any affected Owner over all adjoining Lots, and the Common Areas for the purpose of accommodating any encroachments due to original engineering errors, errors in original construction, settlement or shifting of a building, or any other similar cause. There shall be a continuing easement for the maintenance of said encroachment, provided however, that in no event shall an easement for encroachment be created in favor of an owner, if said encroachment occurred due to the wilful or intentional act of said Owner, or as part of construction other than original construction on the Lot by Developer or a builder.

4. Play Equipment. Installation and use of outdoor play equipment, excluding basketball backboards and goals but including swing sets, jungle gyms and similar play equipment, shall be limited to the rear of each lot only unless otherwise approved by the ARC, and must receive written approval of the ARC prior to installation. Basketball backboards and goals shall not be attached to any Dwelling Unit, and must be mounted on a separate post and must be erected on the driveway or other approved paved area no closer to the street than one-half (1/2) of the distance between the edge of the street and the front of the house.

5. Outside storage of Personal Property. There shall be no outside storage of personal property. This does not apply to pool or patio furniture in use within a pool or patio area, or such other personal property as is expressly permitted in rules or guidelines adopted by the Board of Directors or the ARC, or which has been specifically approved by the ARC or the Board of Directors in connection with any particular residence.

Section 14. Approval of Leases. All leases are required to be in writing, and a copy of the written lease is to be submitted to and approved by the Association in advance of occupancy of any property by a tenant, along with such other information regarding the identity of the tenants as the Association may reasonably require.

(a) After the effective date of this amendment, all leases must be approved by the Association in advance of any occupancy. Within a reasonable time, not less than twenty (20) days prior to the commencement of the proposed lease term, a unit owner or his agent shall apply to the Association for approval of such lease on the application form prescribed by the Association, and pay such application fee as established by the Board from time to time, not to exceed the amount allowed by the Florida Statutes. The owner or the intended lessee shall furnish such information as the Association may reasonably require, including a copy of the proposed lease and the prospective lessee shall make himself or herself available for a personal interview by the designated agent(s), or committee of the Association prior to the approval of such lease. No subleasing or assignment of a lease, or any change in occupancy, is permitted without further application and approval. The Association's representative(s) may, in their discretion, conduct the interview over the telephone. It shall be the owner's obligation to furnish the lessee with a copy of all pertinent governing documents for the community, including any current Rules and Regulations, and other disclosures required by the Florida Statutes.

(1) Reasons for potential disapproval may include:

(i) Prior criminal record, including any pleas of no contest, which indicates a potential threat to the health, safety or welfare of the community;

(ii) A history evidencing actions taken by the applicant which show a disregard for rules and regulations associated with community living;

(iii) Non-compliance with any specific requirements set forth in the Association's governing documents, including any rules and regulations; or

(iv) Providing false or incomplete information in connection with an application.

(b) A Lease Addendum form shall be required in connection with all approved leases, which shall contain an agreement of the tenant to comply with this Declaration and all other documents governing or affecting the condominium; shall contain a provision appointing the Association as agent for the owner so the Association may act on behalf of the owner to enforce the lease, evict the tenant or otherwise; in the event that the Owner fails or refuses to enforce any violations in a manner that is satisfactory to the Board; and if a Lease Addendum is not executed, the lease shall be deemed to include such provisions. A Uniform Lease Addendum meeting these requirements, in a form satisfactory to the Association, shall be made available by the Association. The owner shall not be relieved of any liability or responsibility hereunder by virtue of the existence of said lease, Lease Addendum or any of the foregoing provisions; and the Owner will be responsible for all costs and attorneys' fees incurred by the Association in enforcing any violations by tenants. The Association also has the right to require, as a condition to permitting the leasing of a unit, that all assessments in regard to the unit be current.

(c) It shall be the duty of the Association to notify the unit owner of approval or disapproval of such proposed lease within twenty (20) days after receipt of the application on the prescribed form with all required information, provided that this time frame may be extended until the personal interview of the proposed lessee(s) has taken place, and within five (5) days following the interview, or twenty (20) days after receipt of the application, whichever is later, the Association shall notify the unit owner of its decision.

(d) Disapproval of Leasing by Association. If a proposed lease is disapproved by the Association, the unit owner shall be so advised in writing and the lease shall not be made. Any lease made in violation of this Declaration shall be voidable, and the Association may institute suit to evict the tenant in which event the unit owner violating this paragraph shall be liable for all court costs and reasonable attorneys' fees incurred by the Association.

(e) All leases entered after the effective date of this amendment¹ will be required to be for a maximum term of one (1) year. All lease renewals must be approved. Prior to the expiration of the term of the lease, the Association may notify the Owner that it is disapproving any further renewal of the lease if the tenants have violated the terms of this Declaration, or the Rules and Regulations of the Association on more than one occasion, or have failed to correct any such violations. No additional application fee shall be due and payable to the Association in connection with proposed renewals of leases. The Board may adopt rules and regulations which will exclude certain repeat tenants from the requirement for approval of leases as otherwise required in this Section 14.

Section 15. Minimum Term of Leases. No lease of any Unit shall be for a term of less than four (4) months. All leases are required to be in writing, and a copy of the written lease

¹ See Certificate of Amendment to the Amended and Restated Declaration of Covenants and Restrictions of Silverthorn recorded 12/12/2007, Instrument #2007078401, Official Records Book 2517, Page 1212, Hernando County.

is to be submitted to the Association in advance of occupancy of any property by a tenant, along with such other information regarding the identity of the tenants as the Association may reasonably require.

Section 16. Eligibility to Lease: No Owner shall enter into a lease, rental agreement, or other similar conveyance of use of a Lot during the first eighteen (18) months of ownership of that Lot.

ARTICLE VIII

INSURANCE

Section 1. Directors, Officers and Committee Members Indemnification. The Association shall indemnify every director and every officer, and all members of committees of the Association, including the heirs, executors and administrators of any such person, against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Corporation, or committee member, including reasonable counsel fees, except as to matters wherein he shall be finally adjudged in such action, suit or proceedings to be liable for or guilty of gross negligence or willful misconduct; or actions outside the scope of the duties and responsibilities of such director or officer, or committee member. In the case of a settlement, the Board of Directors shall determine the extent to which indemnification shall apply, based upon these same guidelines. The foregoing rights shall be in addition to and not exclusive of all other rights to which such director, officer or committee member may be entitled. The corporation will not indemnify anyone to the extent that costs and fees are covered by any applicable insurance which such person or the Association may have. The Board of Directors will determine how the payment of any costs and fees is to be handled during the progress of any lawsuit or other proceeding brought against a person who is to be indemnified hereunder.

Section 2. Personal Liability and Risk of Owner Loss(es) and Separate Insurance Coverage, etc. The owner of each Dwelling Unit/Lot will, at his own expense, obtain insurance coverage for loss of or damage to his Unit, and at his discretion, any furniture, furnishings, personal effects and other personal property belonging to such Owner; and may, at his own expense and option, obtain insurance coverages for personal liability against injury to the person or property of another while within such Owner's Lot, or upon the Common Areas. All such insurance obtained by the Owner shall, wherever such provision shall be available, provide that the insurer waives its right of subrogation as to any claims against the Association. Risk of loss or damage to any furniture, furnishings, personal effects and other personal property (other than such furniture, furnishings and personal property constituting a portion of the Common Areas) belonging to or carried on the person of the Owner of each Lot, or which may be stored in any Unit, or in, or upon Common Areas, shall be borne by the owner of each such Lot or Unit. All furniture, furnishings and personal property constituting a portion of the Common Areas and held for the joint use and benefit of all owners of all Lots, shall be covered by such insurance as shall be maintained in force and effect by the Association. The Owner of Lots shall have no personal liability for any damage caused by the Association. The Owner of a Lot may be liable for injuries or damages resulting from an accident on his own Lot, and may be liable for all accidents occurring within his respective Lot.

(a) For Dwelling Units/Lots within the attached villa areas, the insurance coverage to be obtained pursuant to this Section shall be in an amount sufficient, as determined by the Board from time to time, to cover the full replacement cost of any repair or reconstruction of the Unit in the event of damage or destruction from any reason or hazard. Proof of satisfactory coverage shall be provided to the Association annually and all such policies shall require written notice be given to the Association in the event of cancellation, termination or expiration. In the event any Unit Owner fails to maintain the required insurance coverage, the Association shall have the right, but not the obligation, to obtain the required coverage on behalf of the Unit Owner, if the Owner fails to provide proof of coverage within twenty (20) days from the date that a final demand letter is sent to the Owner by regular and certified mail, and assess the Unit Owner for any and all costs related thereto incurred by the Association, including attorneys' fees incurred. Any such assessment shall be secured by a lien against the Unit collectible in the same manner as a lien for unpaid maintenance fees. The Association will not be required to verify that insurance coverage is in effect at all times, and shall have no liability arising out of the failure of any Owner(s) to maintain insurance coverage in accordance with the applicable requirements.

Section 3. Insurance Coverage to be Maintained by the Association; Insurance Trustee, Appointment and Duties; Use and Distribution of Insurance Proceeds, etc., Common Areas, Structures and their contents, and the operation and management thereto, to-wit:

1. The Association shall maintain casualty insurance covering Common Areas in an amount equal to the maximum insurable replacement value thereof, as determined by the Board from time to time, unless the Board determines that such coverage needs to be modified based upon cost considerations and/or availability, exclusive of excavation and foundation costs, as determined annually by the insurance carrier, each coverage to afford protection against (i) loss or damage by fire or other perils including windstorm endorsement and such other risks which may from time to time be deemed by the Board of Directors of the Association to be necessary and proper and in the best interests of the Association and the owners therein;

2. The Association shall maintain public liability and property damage insurance for claims by third parties in such amounts which may from time to time be deemed by the Board of Directors of the Association to be necessary and proper and in the best interests of the Association and the Owners therein; provided, however, that in any event said public liability and property damage insurance shall cover all Common Areas, public ways, and any other areas which are under the supervision of the Association. Further, said insurance shall cover all commercial spaces that are owned by the Association. Said insurance shall provide coverage, if reasonably available and cost effective, for (i) bodily injury and property damage that results from the operation, maintenance or use of the Common Areas; and (ii) any legal liability resulting from lawsuits related to employment contracts in which the Association is a party. Said policies shall provide, if available, for at least thirty (30) days written notice to the Association before the insurer can cancel or substantially modify it.

3. The Association shall maintain Workers' Compensation Insurance to meet the requirements of law;

4. The Association shall provide a blanket fidelity bond for any person who either handles or is responsible for funds held or administered by the Association, whether or not said persons receive compensation for their services. Any management agent that handles funds for the Association shall be required to provide evidence of coverage under a fidelity bond. Except for fidelity bonds that a management agent obtains for its personnel, all other fidelity bonds shall name the Association as an obligee and shall have their premiums paid as a common expense of the Association. Said bonds shall provide for coverage in the amount determined by the Board from time to time. The bonds shall include a provision, if available, providing for thirty (30) days' written notice to the Association or insurance trustee before the bonds can be canceled or substantially modified for any reason.

5. The Association shall maintain such other insurance coverage as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interests of the Association and the Owners of all Lots.

All insurance coverage authorized to be purchased shall be purchased by the Association for itself and for the benefit of all of the owners of all Lots. The cost of obtaining the insurance coverage authorized above is declared to be a pro-rated expense of the Unit/Lot owners, as are any other fees and expenses incurred which may be necessary or incidental to carry out the provisions hereof.

All policies of casualty insurance shall provide for the insurance proceeds covering any loss to be payable to the Association as Insurance Trustee, or to its successor, and the insurance proceeds from any casualty loss shall be held for the use and benefit of the Association and all owners, as their interests may appear, and such insurance proceeds shall be applied or distributed in the manner herein provided. The Association is hereby declared to be and appointed as Authorized Agent for all of the Owners for the purpose of negotiating and agreeing to a settlement as to the value and extent of any loss which may be covered under any policy of casualty insurance, and is granted full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insured property.

The company or companies with which casualty insurance may be placed shall be selected by the Association, and all parties beneficially interested in such insurance coverage shall be bound by such selection of insurance company or companies made by the Association.

The Association shall have the right to function as or designate an alternative Insurance Trustee, and all parties beneficially interested in such insurance shall be bound thereby. If the Association or an appointed Insurance Trustee is in doubt as to how to apply the monies recovered in connection with any loss, the insurance proceeds may be used toward such costs and attorneys' fees as may be required in order to determine how the remaining proceeds are to be used and/or distributed. If it appears that the insurance proceeds covering the casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for repairs, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be sufficient, then Association shall levy and collect an assessment against the owners of all Lots, or

less than all of the Lots if applicable, in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of loss of or damage to property covered by such casualty insurance, the Association shall, within sixty (60) days after any such occurrence obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before such loss or damage, such estimates to contain and include the costs of any professional fees and premiums for such Bond as the Board of Directors of the Association may deemed to be in the best interests of the membership of said Association.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Covenants Run With Land. All restrictions, reservations, covenants, conditions and easements contained in this Declaration shall constitute covenants running with the land, and all grantees, devisees, or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions of this Declaration and the Articles of Incorporation and Bylaws of the Association.

Section 2. Enforcement. The Association or any Owner of any Lot, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, or any rules and regulations adopted by the Board of Directors pursuant to authority contained in the governing documents. The Association is granted and shall have the right of ingress and egress over the Lots as is reasonably required to carry out the terms and provisions of, and its obligations under, this Declaration. The failure of the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 4. Amendment. The covenants and restrictions of this Declaration shall run with and be binding upon the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of forty (40) years from the date this Declaration was originally recorded, after which time said covenants shall automatically be extended for successive periods of ten (10) years. The Covenants, Conditions and Restrictions of this Declaration may be amended by an instrument approved by persons or entities able to exercise a majority of the voting power of the Association members who are present and voting at a regularly called annual or special meeting of the members, provided that at least thirty percent (30%) of the membership is represented at such meeting. Any amendment shall be properly recorded. Provided further however, that the Association may amend the Covenants,

Conditions and Restrictions of this Declaration by filing of record any amendment required by any utility, water management district, or any governmental body or regulatory authority with jurisdiction over the Property. Notwithstanding anything in this paragraph to the contrary, any amendment of this Declaration which would affect the Surface Water Management System approved and on file with the Southeast Florida Water Management District, including the surface water management portions of the Common Areas, must have the prior written approval of the Southeast Florida Water Management District.

Section 5. Remedy for Violation. For violation or a breach of any of the provisions herein, of the provisions of the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, the Association, or any Lot Owner shall have the right to proceed at law for damages and/or in equity to compel compliance with any of them or for such other relief as may be appropriate. In addition to the foregoing right, whenever there shall have been built upon the Property any structure which is in violation of this Declaration, or another violation exists with respect to such property, the Association, upon the affirmative vote of a majority of the Board of Directors, may enter upon the property where such violation exists, provided that reasonable advance notice has been provided to the Owner by certified mail and the Owner has failed or refused to correct the violation(s), and summarily abate or remove the same at the expense of the Owner, and any such entry, abatement, removal or restoration and construction work shall not be deemed a trespass. The Association shall have all lien rights against the Owner's Lot as set forth in this Declaration to enforce collection of all expenses incurred by the Association in abating or removing a violation and making necessary repairs to a Lot or Dwelling as set forth herein, including reasonable attorneys' fees incurred by the Association.

(a) In the event that resort to this Section 5 becomes necessary, or it becomes necessary to engage the services of an attorney for enforcement of any of the provisions of this Declaration, then the defaulting parties shall be liable for any and all costs of enforcement, including but not limited to any attorneys' fees and expenses, and including any court costs, attorneys fees, or related expenses if legal proceedings are instituted.

(b) Additionally or alternatively, the Association may suspend, for a reasonable time, the rights of a member or members' tenants, guests, or invitees, or both, to use common areas and facilities and may levy reasonable fines, up to the maximum amount allowed by the Florida Statutes as amended from time to time, against any member or any tenant, guest, or invitee. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for a hearing. A fine or suspension may not be imposed without notice of at least 14 days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director or employee. If the Fining/Hearing Committee, by a majority vote, does not approve a proposed fine or suspension, it may not be imposed. To the maximum extent permitted by Florida law, as amended from time to time, fines and all related attorneys' fees, interests and costs shall be treated as an assessment otherwise due to the Association, subject to collection as provided by Article V herein.

Section 6. Effect of Waiver of Violation. No waiver of breach or violation of any of terms, provisions and covenants in this Declaration, or in the Articles of Incorporation or Bylaws of the Association, shall be construed to be a waiver of any succeeding breach of the same term, provision or covenant to this Declaration, or the Articles of Incorporation or Bylaws of the Association.

Section 7. Instruments Governing Common Areas and Owners of Lots. This Declaration and the Articles of Incorporation, Bylaws of the Association, and any lawful amendments, from time to time, to said instruments, shall govern the Common Areas and the rights, duties and responsibilities of the Owners of Lots.

Section 8. Notice to Owners. Whenever notices are required to be given hereunder, the same shall be sent to the Owners by regular mail at the address of the Unit situated upon the Lot, or such other address which is on file with the Association. Such notices shall be deemed given when deposited in the United States mails. Any Owner may change his mailing address by written notice given to the Association at 4400 Mallard Lake Drive, Spring Hill, Florida 34609 or to any address subsequently designated by the Association from time to time.

Section 9. Right of First Mortgagees. Upon written request to the Association, identifying the name and address of the Holder, Insurer or Guarantor and the Lot or Unit address, any First Mortgagee, Insurer or Guarantor of said first mortgage will be entitled to timely written notice of (i) any condemnation or casualty loss that affects either a material portion of the property; (ii) any sixty (60) day delinquency in the payment of assessments of charges owed by Owner of any Dwelling Unit on which it holds the mortgage; (iii) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and (iv) any proposed action that requires the consent of a specified percentage of first Mortgagees.

Section 10. Gender. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and the plural shall include the singular.

Section 11. Availability of Information. The Association shall make available to any Owner, First Mortgagee, and to Holders, Insurers or Guarantors of any first mortgage, current copies of this Declaration, the Bylaws of the Association, any and all rules concerning the use and enjoyment of the Common Areas/Community Properties. When used in this Section, the word "available" shall mean available for inspection, upon written request, during normal business hours or under other reasonable circumstances.

ARTICLE X

CABLE TELEVISION DISCLOSURE

The Association may enter in a Bulk Rate Cable Television Agreement for the provision of cable television services to all Lots within the Property. To facilitate cable television

service, all Units shall be pre-wired for cable television. Ownership of all lines and equipment comprising the cable television system, except those located within any Dwelling Unit or building but including those installed within any Lot, (the "system"), shall be and remain the personal property of the cable television provider. No portion of the System shall become a fixture of the Lot and Members shall have no ownership interest in any portion of the System. No party other than the cable television provider shall be permitted to use any portion of the System including, without limitation, any portion of the system installed within a Lot, without the cable television provider's prior written consent, which consent may be withheld by the cable television provider in its sole and absolute discretion. Upon termination of the Bulk Rate Cable Television Agreement, the cable television provider may, but shall not be required to, remove all or any portion of the System after reasonable notice to the Association and all Members, provided no material or substantial Injury to real property would result from such removal. In no event, however, shall the cable television provider be deemed to have abandoned the System and the cable television provider may continue to use the System to provide cable services on an Individual subscriber basis. The cable television provider is hereby granted an easement to own, operate and maintain the cable television wires and other portions of the System and for ingress and egress to and from the same within each Lot without cost to the cable provider.

ARTICLE XI

CLUB DISCLOSURE

Club Facilities. The Silverthorn Country Club facilities (golf course, clubhouse, restaurant, pro shop and driving range) are separate from the Common Areas of the Association and the Community Recreational Facilities. Membership in the Club shall entitle the member to access to and use of the Club Facilities in accordance with the membership category acquired. Ownership of Property or membership in the Association does not give any vested right or easement, prescriptive or otherwise, to use the Country Club Facilities, and does not grant any ownership or membership interest in the Country Club.

ARTICLE XII

EASEMENTS OF SILVERTHORN COUNTRY CLUB

There is hereby reserved for the benefit of the Association, Lot Owners, and the Silverthorn Country Club the following rights and easements:

(a) **Utility Easements.** The right and easement for the installation and maintenance, repair, replacement and use within the Common Areas and those portions of Lots for monitoring security systems and utility facilities and distribution lines, including without limitation drainage systems, storm sewers and electrical gas, telephone, water, sewer, and the right and easement for the drainage and discharge of surface water onto and across Common Areas and Lots, provided that such drainage and discharge do not materially damage or affect the Common Areas or Lot or any improvements from time to time located thereon.

(b) Ingress and Egress. The right and easement on, over and across all of the roads, streets and sidewalks maintained as part of the Common Areas are solely for the benefit of residents of Silverthorn, and their guests and invitees. Persons requiring access to the golf course facility must access ONLY through the visitors gate at the Barclay entrance and proceed along Silverthorn Boulevard to the golf course facility and must exit the community in the same manner. No use of any other roads is permitted by non-residents. Access will only be permitted during normal business hours of the golf course and restaurant facilities or for special functions at the golf club. The Board of Directors of the Association will not have the right to approve any easements or other use agreements which provide for additional access rights to Silverthorn Country Club or any other third parties, without approval by a majority of those voting members who participate in the voting at a membership meeting of the Association.

(c) Pedestrian and Golf Cart Paths. The right and easement on, over and across the Common Areas and such portions of the Lots which are within ten (10) feet of any Lot boundary line which is adjacent to the Golf Course Property, for all members of Silverthorn Country Club, their guests, and other authorized users of the golf course and Club Facilities for the use of pedestrian and golf cart paths located on such portions of the property and serving the golf course.

(d) Construction, Maintenance and Repair. The right and easement on, over, through, under and across the Common Areas and such portions of any Lot for the maintenance, construction and repair of the Golf Course Property.

(e) Entry by Golfers. Each Lot, Dwelling Unit and any portion of the Common Areas which are adjacent to the Golf Course Property shall be subject to the right and easement on the part of registered golf course players and their caddies to enter upon the unimproved portion of any such Lot or Common Area which is within thirty (30) feet of the Golf Course Property to remove a ball, subject to the official rules of the Silverthorn Country Club, with such entering not being deemed to be a trespass. Golf course players or their caddies shall not be entitled to enter upon any such Lot or portions of the Common Area with a golf cart or other vehicle, or to spend an unreasonable amount of time on any such Lot or Common Area or in any way commit a nuisance on any such portion of the Development.

ARTICLE XIII

GOLF COURSE AREAS

Owners of Lots and Dwelling Units adjacent to the Golf Course Property as well as their families, tenants, guests, and invitees shall be obligated to refrain from any action which would distract from the playing qualities of the golf course. Such prohibited activities shall include, but not be limited to, burning materials where the smoke will cross the Golf Course Property, maintenance of dogs or other pets under conditions which interfere with golf course play due to their loud barking or other actions, playing of loud radios, televisions, stereos or musical instruments, running or walking on the fairways, picking up balls or similar interference with play.

ARTICLE XIV

EMERGENCY VEHICLE ACCESS

Silverthorn is a gated community, and as such, response time of emergency vehicles such as police, fire and ambulance may be longer than that which would be available in other communities within Hernando. By acceptance of a deed to any Lot within Silverthorn, each Owner acknowledges the possibility of such event, and releases the Association and its members, and those companies or government agencies providing emergency service from any and all liability as a result of any such delayed response time to the extent that the same was caused by the inability to pass promptly through the gates at Silverthorn.

ARTICLE XV

PARTY WALLS

This article shall be applicable to the attached villa area only.

Section 1. Party Walls. Each wall or portion thereof which is built as part of the original construction of a Dwelling Unit as the dividing line between the Dwelling Units shall constitute a party wall.

Section 2. General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls, and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 3. Repair and Maintenance of Party Walls. The cost of repair and maintenance of a party wall shall be shared equally between the Unit Owners sharing such party wall, provided, however, if damage to a party wall is caused by the negligent or willful act of only one Unit Owner, or only one Unit Owner's family, guests, invitees or tenants, then such Unit Owner shall be solely responsible for the cost of repair.

Section 4. Contribution. If a party wall or party roof is destroyed or damaged by fire or other casualty, any Unit Owner who has used the wall or roof may restore it, and if the other Unit Owners thereafter make use of the wall or roof they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Unit Owner to call for contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 5. Right to Contribution Runs With Land. The right of any Unit Owner to contribution from any other Unit Owner under this Article shall be appurtenant to the land and shall pass to such Unit Owner's successors in title.

Section 6. Board Approval. No one shall remove any party wall or party roof or any portion thereof or perform work on a party wall or party roof without the prior written approval

of the Board of Directors. Repair and restoration of party walls and party roofs damaged by casualty shall be performed by the Unit Owners.

**END OF SECOND CONSOLIDATED AND RESTATED DECLARATION OF
COVENANTS AND RESTRICTIONS FOR SILVERTHORN**