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**ARTICLE VIII
ARCHITECTURAL CONTROL**

Section 1. Enforcement of Architectural Standards

The Board shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the committees established in Sections 2 and 3 of this Article VIII.

No construction, which term shall include within its definition, staking, clearing, excavation, grading, and other site work, no exterior alternation or modification of existing improvements, and not plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article until the requirements of the Board of ARC have been fully met, and until the approval of the appropriate entities has been obtained.

All structures constructed on any portion of the Properties shall be designed by and built in accordance with the plans and specifications of a licensed architect or other person found to be qualified by the Board or the ARC.

Section 2. Architectural Review Committee

The Board may establish an Architectural Review Committee (“ARC”) which shall have exclusive jurisdiction over all construction on any portion of the Properties and whose duties, powers and responsibilities shall be as follows:

- A. The ARC shall consist of three (3) or more persons designated by the Board.

- B. The ARC shall have the right of specific approval or veto of all architectural, engineering, platting, planning and landscaping aspects of any improvement or development of individual units or buildings as well as the general plan for development of any individual lot or subdivision, tract or parcel of land within the Properties. All construction and development within the Properties is subject to local governmental control; however, the ARC may, in its sole discretion, impose standards of architectural and landscaping design, building setback lines or the general plan for the development,

which standards are greater or more stringent than standards prescribed in applicable building, zoning, planning or other local governmental codes.

- C. No building, sign, outside lighting, fence, hedge, living fence, wall, walk, dock or other structure or planting shall be constructed, erected, or planted until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme and location of same shall have been submitted to and approved in writing by the ARC. Refusal of approval of plans, specifications or location may be based upon any grounds, including purely aesthetic considerations, which the ARC, in its sole and uncontrolled discretion, deems sufficient.
- D. All plans for the construction of any improvements within the Properties shall contain a drainage plan which shall be consistent with the master drainage plan for Waterford Lakes.
- E. As part of the application process, two (2) complete sets of plans and specifications prepared by an architect or other person found to be qualified by the ARC shall be submitted for approval by written application on such form as may be provided or required by the ARC. In the event the information submitted to the ARC is, in its opinion, incomplete or insufficient in any manner, it may request and require the submission of additional or supplemental information.
- F. The ARC shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in its sole discretion, for aesthetic or any other reasons, provided such approval is not unreasonably withheld and in approving or disapproving such plans applications, the ARC shall consider the suitability of the proposed building, improvements, structure or landscaping and materials of which the same are to be built, the site upon which the proposed are to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property.
- G. Unless specifically excepted by the ARC, all improvements for which approval of the ARC is required under this declaration shall be completed within a reasonable time from the date of commencement of said improvements or within the time set by the ARC in the event that the approval is so conditioned.
- H. The ARC shall in all cases have the right to determine and designate building set back lines necessary to conform to the general plan of Waterford Lakes, in order to preserve the integrity of the Properties and the Master Plan. In this respect the ARC's judgment and determination shall be final and binding.
- I. In the event the ARC shall fail to specifically approve or disapprove the plans and specifications submitted in final and complete form, within thirty (30) days after written request for final approval or disapproval such plan and specification shall be deemed approved.
- J. There is specifically reserved unto the ARC, the right of entry and inspection upon any Unit or Lot for the purpose of determination by the ARC whether there exists any construction of any improvement which violates the terms of any approval by the ARC or the terms of this Declaration or of any other covenants, conditions and restrictions to which its deed or other instrument of conveyance makes reference. The ARC is specifically empowered to enforce the provisions of this Declaration by any legal or

equitable remedy, and in the event it becomes necessary to resort to litigation to determine the propriety of any constructed improvement, or to remove any unapproved improvements, the prevailing party shall be entitled to recovery of all court costs, expenses and reasonable attorney's fees in connection therewith. The Association shall indemnify and hold harmless the ARC from all costs, expenses, and liabilities including attorney's fees incurred by virtue of any member of the ARC's service as a member of the ARC.

- K. The ARC may delegate any portion or all of its powers reserved hereunder to a Neighborhood Association that enacts and enforces architectural control standards as stringent as set forth herein. Such delegation may thereafter be cancelled at any time for any reason.
- L. A majority of the ARC may take any action of the committee and may designate a representative to act for it. In the event of death, disability or resignation of any member of the ARC, the Board shall designate a successor.
- M. The ARC may adopt such further rules and regulations as it deems necessary to carry out its functions and purposes hereunder, provided all such rules and regulations shall be filed with and made part of this Association's minutes.
- N. The ARC may impose reasonable fees and charges upon Owners to enable it to carry out its functions.
- O. In each instance where a structure has been erected, or the construction thereof is substantially advanced, in such manner that the same violates the restrictions contained in this Declaration or any other covenants which the ARC has the power to enforce, or in such manner that the same encroaches on any easement or setback line, the ARC reserves the right to release the property from the restriction which it violated and to grant an exception to permit the encroachment by the structure over the setback line or on the easement area, so long as the ARC, in the exercise of its sole discretion, determines that the release or exception will not materially and adversely affect the health, safety and appearance of the Properties.
- P. The ARC may require that any portion of the Lots and any improvements thereon within the Properties be prewired for cable television an/or security in such a manner as the ARC shall specify.
- Q. The ARC has the right, but not the obligation, to grant waivers for minor deviations and infractions of this declaration. The granting of any waiver for any portion of the Properties may be given or withheld in the ARC's sole discretion and a prior grant of a similar waiver shall not impose upon the ARC the duty to grant new or additional requests for such waivers.
- R. The Association, Declarant, ARC or any officer, employee, director or member thereof shall not be liable for damages to any persons submitting plans and specifications for approval by reason of mistake in judgment, negligence or non-feasance arising out of or in connection with the approval, disapproval or failure to approve any plans and specifications. Every person who submits plans and specifications for approval agrees, by submission of such plans and specifications, that it will not bring any action or suit against the Association, Declarant or ARC to recover any such damages. Further, any

builder on any of the Residential Property agrees to indemnify and hold the Declarant harmless from and against any costs, claim, damage, expense or liability whatsoever, including, attorney's fees at all tribunal levels, arising out of any approval of plans given by the Declarant hereunder.

Section 3. Declarant Exemption.

This Article, except for the requirement to construct improvements in accordance with required governmental approvals, shall not apply to the original structures built by, on behalf of and/or sold by Declarant, its successors and assigns.

Section 4. Modifications.

The ARC shall also have exclusive jurisdiction over modifications, additions, or alterations made on or to existing Units or structures containing Units and the Open Space, if any, appurtenant thereto; provided, however, the ARC may delegate this authority to the appropriate board or committee of any Neighborhood Association subsequently created or subsequently subjected to this Declaration so long as the ARC has determined that such board or committee has in force review and enforcement practices, procedures, and appropriate standards at least equal to those of the ARC. Such delegation may be revoked at any time and for any reason, and jurisdiction reassumed at any time by written notice.

The ARC shall promulgate detailed standards and procedures governing modifications to existing Units or structures, consistent with local government standards and codes. In addition thereto, the following shall apply: Plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations, shall be submitted to the ARC for approval as to quality of workmanship and design and as to harmony of external design with existing structures, location in relation to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of a Unit or to paint the interior of his Unit in any color desired. In the event that the ARC fails to approve or to disapprove such plans or to request additional information reasonably required within thirty (30) days after submission, the plans shall be deemed approved.

ARTICLE IX

ENFORCEMENT OF RULES AND REGULATIONS

Section 1. Compliance by Owners; Initial Rules and Regulations

Every Owner shall comply with the restrictions and covenants set forth herein and any and all rules and regulations adopted by the Board. The following are the Rules and Regulations of the Association which may be amended, modified or added to from time to time as provided in the By-Laws.

- A. RESIDENTIAL USE: Waterford lakes, subject to these Restrictions and except as shown on the Master Plan, shall be used for residential living units and related recreational facilities only and for no other purposes. Notwithstanding anything herein to the contrary, Declarant and any Builder shall be able to build and maintain sales models and offices with the written consent of Declarant until such time as the last parcel in Waterford lakes is developed and sold by Declarant to other residential Property Owner.

Uses which do not conform to Orange County zoning ordinances will not be permitted.

- B. TEMPORARY BUILDINGS: No tents, trailers, vans, shacks, tanks, or temporary or accessory buildings or structures shall be erected or permitted to remain on the Properties; however, the foregoing shall not restrict or prevent the construction and maintenance of temporary sales models and such other temporary facilities as are essential to the development, construction and sale of the housing facilities created, provided that such are in compliance with appropriate governmental requirements applicable thereto.
- C. TRASH & GARBAGE: No lumber, metals, bulk materials, refuse or trash shall be kept, stored, or allowed to accumulate on the Properties except building materials during the course of construction of any approved structure. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open on any day that a pick-up is to be made at such place as will be accessible to persons making such pick-up. At all other times, such containers shall be stored so that they cannot be seen from surrounding property. The ARC, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same.
- D. BURIAL OF PIPE AND TANKS: No water pipe, gas pipe, sewer pipe or storage tank shall be installed or maintained on the Properties above the surface of the ground, except hoses and movable pipes used for irrigation purposes. No property shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel, or earth. Provided, however, that nothing contained herein shall prohibit or restrict removal of fill or earth materials to construct or create approved drainage structures (including lakes) or landscaped berms.
- E. NUISANCE: Nothing shall be done on the Properties which is illegal or which may be or may become an annoyance or nuisance to the neighborhood. In the event of any questions as to what may be or become a nuisance, such questions shall be submitted to the Association for a decision in writing and its decisions shall be final.
- F. WEEDS AND UNDERBRUSH: No weeds, underbrush, or other unsightly growths shall be permitted to grow or remain upon the Properties and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. In the event an Owner shall fail or refuse to keep his Lot or Unit free of weeds, underbrush, sight obstruction, refuse piles, or other unsightly growths or objects, then the Association may enter upon said property and remove the same at the expense of the Owner, and such entry shall not be deemed trespass; except, however, that the Owner shall be given ten (10) days prior written notice of such action.
- G. VEHICLE PARKING: The Board of a Neighborhood Association may from time to time promulgate rules which restrict, limit or prohibit the use of any driveway or parking area which may be in front of, adjacent to or part of any Unit as a parking place for personal passenger vehicles, commercial vehicles, trailers, recreational vehicles, self-propelled motor homes, motorcycles and boats. Such rules, if and when promulgated, shall have the same force and effect as if promulgated and initially made a part of this Declaration. Overnight parking or storage of trucks or commercial vehicles in excess of one-half ton rated capacity is prohibited. No unregistered or inoperable motor vehicle or trailer of any kind may be disassembled, serviced or repaired on the Properties in such

manner as to be visible from any point on adjacent property or the street.

The following initial rules have been adopted by the Board:

A. Prohibited Vehicle – No “Prohibited Vehicle” shall be parked or stored on any of the Common Properties of Common Areas or on any portion of a Lot which is visible from any of the Common Properties or Common Areas or from any road or other Lot within the Property. For purposes of this Section, a “Prohibited Vehicle” is:

(1) A truck (except a ½-ton pickup truck which has no camper top, bed enclosure or other appendage attached to it), delivery van, service van or bus;

(2) A commercial vehicle (i.e., one not designed and used for normal personal / family transportation) and any vehicle bearing lettering, graphics or other commercial insignia, except if such lettering, graphics or insignia is/are completely covered with a magnetic or other type covering of the same color as the vehicle;

(3) A recreational vehicle (RV) including a camper, mobile or motor home, all terrain vehicle (ATV or ATC) or dune buggy;

(4) A trailer of any type;

(5) A boat; or

(6) A derelict vehicle, including a vehicle with no current license plate or a vehicle incapable of self-propulsion.

For the purpose of this Section A, a “Prohibited Vehicle” shall not be deemed to be (even if generally described above) any commercial or public service vehicle present in the Properties while performing services for or on behalf of owners or residents of Waterford Lakes.

B. Non-resident/visitor parking: While parking within the Properties, non-residents and visitors shall follow all parking rules and regulations.

- H. CLOTHES DRYING AREA: No portion of any of the Properties shall be used as a drying or hanging area for laundry of any kind unless the area is fully screened by fencing or landscaping from view from adjacent property or streets.
- I. GUNS: The discharge of firearms within the Properties is prohibited. The term “firearms” includes “B-B” guns, pellet guns, and other firearms of all types, regardless of size.
- J. SHUTTERS, AERIALS AND ANTENNAS: No exterior, radio, television, dish antenna or other antenna or devise (for sending or receiving electromagnetic signals) greater than one (1) meter in diameter may be erected or maintained in Waterford Lakes, except that a master antenna system or systems may be constructed and maintained by the Declarant, the Association or their designees; provided, however, that the Association may adopt reasonable rules and regulations, not in violation of any federal or state law, regarding the location and appearance of any devices smaller than one (1) meter in diameter.

Additionally, no hurricane or storm shutters shall be installed unless the same be of a type approved by the Association.

- K. DRAINAGE: No changes in elevations of property subject to these restrictions shall be made which will cause undue hardship to adjoining property or be inconsistent with the approved draining plans for Waterford Lakes or any part thereof.
- L. UNDERGROUND WIRES: No lines or wires for communication or the transmission of electrical current or electromagnetic pulses shall be constructed, placed, or permitted to be placed on a Lot unless the same shall be underground, or unless specifically permitted in writing by the ARC.
- M. ANIMALS: No horses, cattle, swine, goats, poultry, fowl, or any other animals not commonly considered household pets shall be kept on the Properties. Under no circumstances shall any commercial or business enterprises involving the use, care or treatment of animals be conducted on the Properties without the express prior written consent of the Board. All pets shall be kept on a leash when not on the pet owner's lot or Unit and no pet shall be allowed to roam unattended. The Association may, from time to time, publish and impose reasonable regulations setting forth the type and number of animals that may be kept on the Properties.
- N. BUSINESS: Except where indicated on the Master Plan (as amended from time to time and except as allowed by Article IX, Section 1, Paragraph A), no trade or business will be conducted or carried on upon the Properties or in any building or other structure erected thereon, except that an Owner or occupant residing in any Unit may conduct business activities within the Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (b) the business activity conforms to all zoning requirements for the Properties; (c) the business activity does not involve persons coming onto the Properties who do not reside in the Properties or door-to-door solicitation of residents of the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the leasing of a Unit shall not be considered a trade or business within the meaning of this section. This section shall not apply to any activity conducted by the Declarant with respect to its development and sale of the properties or its use of any Units which it owns within the Properties, including the operation of a timeshare or similar program.

- O. MAINTENANCE OF PARKING AREAS, ETC.: All setback areas, yards, walkways, driveways and parking areas and drainage swales shall be maintained and kept in a neat and clean condition, free of refuse and debris.

- P. MAINTENANCE OF LANDSCAPED AREAS: All landscaped areas (to the paved right-of-way) shall be maintained in live, healthy and growing condition, properly watered and trimmed. Any planting of grass, shrubs, or trees which become dead or badly damaged shall be replaced with similar, sound healthy plant materials.
- Q. USE AND MAINTENANCE OF WATERBODIES: The use of all Lakes and waterbodies existing or created in Waterford Lakes will be in accordance with rules and regulations adopted from time to time by the Association. There will be no construction of any dock or other facility in any lake or waterbody without written approval of the ARC, procured in accordance with standards and requirements set by the ARC from time to time. Maintenance of Lakes and waterbodies is the exclusive obligation and function of the Association. No motorboats shall be allowed on any of the internal lakes without the consent of the Association.
- R. MAINTENANCE OF LANDSCAPING TO PUBLIC RIGHT OF WAY OR WATER'S EDGE: Any Owner or Neighborhood Association within the Properties that owns or has maintenance responsibility for property adjoining any public right of way or water body shall maintain the landscaping to the public right of way or water's edge regardless of the property boundaries on the plat.
- S. CABLE TELEVISION: The Declarant (or its successor or assigns) shall have the right to install, or enter into contracts for the installation of, a cable television system providing cablevision entertainment of the Residential Units. Any agreement for services may provide that basic service shall be mandatory for all residential Unit Owners. In connection with the installation, maintenance and operation of such systems the Declarant reserves access, installation and service easements over, across and under Common Property and Residential Property necessary to provide such cable television services to all Owners of Residential Units; provided, however, such easements shall be reasonably located by the Declarant so as to not unreasonably impair the value or use of Residential Property or the Residential Units.
- T. FENCES: The composition, location and height of fences and walls must be approved by the ARC prior to installation in accordance with standards and requirements set by the ARC from time to time. The ARC is under no obligation whatsoever to approve any fences.
- U. MAILBOXES: No mailbox or paperbox or other receptacles of any kind for use in the delivery of mail or newspapers or magazines or similar material shall be erected on any Residential Unit unless and until the size, location, design and type of material for said boxes or receptacles shall have been approved by the ARC. If and when the United States [Postal] service and the newspaper or newspapers involved shall indicate a willingness to make delivery to wall receptacles attached to the residence, such Owner, upon the request of the ARC, shall replace the boxes and receptacles previously employed for such purposes with wall receptacles attached to the residence.
- V. TREES: Removal of existing trees and shrubbery from any Lot shall not be permitted (except within the foundation perimeter line for the dwelling) unless landscaping of an equivalent or higher quality is substituted therefor.

- W. AIR CONDITIONERS: No window air conditioning units shall be permitted. Permanently mounted wall air conditioning units shall not be permitted unless first approved by the ARC.
- X. SIGNS: No signs of any kind shall be displayed to the public view on any Lot or Unit, except those which shall be in compliance with the guidelines established by the ARC. The ARC shall have the right to establish guidelines so as to require a uniform standard for signs in the Properties.
- Y. LIGHTING: No exterior lighting fixtures shall be installed on any Unit without adequate and proper shielding of fixtures. No lighting fixture shall be installed that may be or become an annoyance or a nuisance to the residents of adjacent Units.
- Z. STORMWATER: Orange County, Florida, has required Declarant to install a storm water drainage and retention system within the boundaries of the Properties. No structure, fence or landscaping that interferes with the flow or retention of storm water shall be permitted and no refuse shall be placed upon or allowed to remain on any part of any Unit within any easement area for storm water drainage or retention, and the storm water drainage and retention area, including drainage swales or retention ponds, shall not be filled or otherwise changed so as to alter or block the flow or the quantity of water. Owners of Units within which any easement for storm water drainage or retention lines are located shall be responsible for the maintenance of such areas to permit the flow and retention of water in accordance with the storm water drainage and retention system plan required and approved by Orange County, Florida. If any Owner shall fail to comply with any part or all of the restrictions contained in this Section, the Association shall notify the Owner in writing, shall have the right to correct such failure to comply herewith, and to assess and collect the cost hereof and shall have a lien upon the Unit upon which the work was performed.
- AA. SWIMMING POOLS AND TENNIS COURTS: Any swimming pool, tennis court and screening and fencing of either to be constructed on any Lot shall be subject to the approval and requirements of the ARC, which shall include, but which shall not be limited to the following:
- (a) Above-ground swimming pools normally will not be allowed;
 - (b) Lighted tennis courts normally will not be allowed;
 - (c) Materials, design and construction shall meet standards generally accepted by the industry and shall comply with applicable governmental regulations; and
 - (d) The location shall be approved by the ARC.
 - (e) All fuel tanks for swimming pools, along with other necessary pool mechanical equipment, shall be shielded from view at ground level by appropriate landscaping or approved decorative fences.
- BB. TIME SHARES: No Lot or Unit shall be owned or used in multiple or time share ownership requiring registration pursuant to the provisions of the Florida Statutes, as amended from time to time, unless approved in writing by the Declarant.

CC. POLLUTANTS: No owner shall discharge or allow to be discharged any pollutant, hazardous waste or toxic material, and in the event of such discharge shall be liable for all cleanup cost incurred in connection therewith.

DD. FURTHER RESTRICTIONS: These restrictions are intended to be minimum restrictions applying to the Properties. The Declarant or a Residential Property Owner will have the right to subject property to further restrictions and covenants by way of Declaration of Condominium or Declaration of Protective Covenants and Restrictions. Provided, however, that the ARC must approve such restrictions prior to recording, and such restrictions will be deemed of no force and effect and unenforceable unless the recorded instrument is executed by the chairman of said Committee indicating the required approval.

EE. NON-WAIVER: No delay in enforcing these covenants and restrictions as to any breach or violation thereof shall impair, damage or waive the right of the Association to enforce the same, to obtain relief against or recovery for continuation or repetition of such breach or violation or of any similar breach or violation thereof at a later time or times.

Section 2. Enforcement:

Failure of the Owner to comply with such restrictions, covenants, rules or regulations shall be grounds for action by the Association, which may include, without limitation, communications from counsel for the Association demanding compliance with said restrictions, covenants, rules or regulation and actions to seek recovery of damages, injunctive relief or any combination thereof, and costs and reasonable attorney's fees incurred in connection with communications with counsel for the Association or with bringing such actions. This includes, if necessary, costs and attorney's fees for appellate review.

The Association shall have the right to suspend the use of Common Areas and Lakes for any Owner violating these Covenants and Restrictions for a period of time which is the longer of sixty (60) days or the term of the continuing violation period. In addition, the Association shall have the right to suspend the voting rights of any Owner for the nonpayment of regular assessments which are delinquent in excess of ninety (90) days during the term of the continuing delinquency. Both the Association and the Neighborhood Association (where the violation has occurred with respect to a Unit within the jurisdiction of such Neighborhood Association) shall have the right to enforce the provisions of this Declaration, eviction proceedings or other self-help procedures appropriate to the violation.

Section 3. Fines:

In addition to all other remedies, in the sole discretion of the Board of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, tenants, or employees to comply with any covenant, restriction, rule or regulation, contained herein or promulgated pursuant to these Declarations provided the following procedures are adhered to:

A.NOTICE: Association shall notify the Owner of the infraction or the infractions and the proposed fine(s) and the proposed date on which such fine(s) shall become final, which date shall not be earlier than the next regularly scheduled Board meeting. Included in the notice shall be date and time of the next Board meeting.

B.HEARING: The Owner may petition the Board in writing to appear at the next scheduled Board meeting at which time the Owner shall present reasons why the fine(s) should not be imposed. A written decision of the Board shall be submitted to the Owner not later than twenty-one (21) days after the Board's meeting. Failure of the Owner to contest any proposed fine(s) in accordance with these procedures shall constitute a waiver of his rights to further contest such proposed fine(s).

C.FINES: The Board may impose fines against any Unit as follows:

(a) First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).

(b) Second non-compliance or violation: a fine not in excess of five Hundred Dollars (\$500.00).

(c) Third and subsequent non-compliance, or violation or violations that are of a continuing nature: a fine not in excess of One Thousand Dollars (\$1,000.00) for each week of continued violation or non-compliance.

D.PAYMENT OF FINES: Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the fines.

E.COLLECTION OF FINES: Fines shall be treated as a Special Assessment otherwise due to the Association, and as such will be a lien against the Owner's Unit or Lot.

F. APPLICATION OF FINES: All monies received from fines shall be allocated as directed by the Board.

G. NONEXCLUSIVE REMEDY: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association or the Neighborhood Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages that the Association or Neighborhood Association may otherwise be entitled to recover by law from such Owner.

Section 4. Application of Partial Payments.

Any payment received by the Association from or on behalf of an Owner shall be applied first to any interest accrued to the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collecting or otherwise incurred in connection with the enforcement of any of the terms of this Declaration, then to the delinquent assessment. Any additional funds shall constitute a credit to the Owner, or at the Owner's written request, shall be refunded to the Owner. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.