

1. Recitals. The Recitals stated above are true and correct and by this reference are incorporated as a material part of this First Amendment.

2. Defined Terms. Capitalized terms used but not defined herein shall have the meaning given to them in the Agreement.

3. Amendment.

A. Residential Units. Developer may use the Units approved pursuant to the Agreement in connection with Residential Units, as well as in connection with properly licensed ILFs and/or ALFs.

B. Construction, Use and Maintenance of Amenities.

i. Generally. If Developer elects to utilize any of the Units for Residential Units, Developer shall construct at least the following new Amenities, which Amenities shall be accessible and available for use by all residents and guests of the Center District Service Territory and The Villages community at no additional charge: a resort-style pool, sport and activity courts, walking paths, and open spaces. Developer shall retain title to the Amenities and Developer and Developer's successors and assigns shall perpetually maintain the Amenities.

ii. Hacienda Parcel and District Parcel Specifically. In addition to the foregoing, if Developer utilizes the Residential Units on the land described in the attached *Exhibit "A"* (the "Hacienda Parcel"), Developer shall redesign and improve the land owned by the District and described in the attached *Exhibit "B"* (the "District Parcel"), including the drive aisles, parking, and postal facility located thereon, according to plans and specifications reasonably determined by Developer, and the improved postal facility may be shared with users of the Hacienda Parcel. The District will continue to own and operate the District Parcel, including the postal facility, and the Developer shall contribute the proportionate share of postal box charges and costs for postal boxes utilized by users of the Hacienda Parcel to the District. District shall permit and grant Developer all rights necessary to construct Amenities on the District Parcel. Upon completion of the improvements, District and Developer shall enter into and record a cross-access easement, granting each party ingress and egress rights over all drive aisles located on the Hacienda Parcel and District Parcel from time to time.

C. Rights to Amenity Fees. Developer shall be entitled to retain all revenues from amenity fees associated with the Residential Units; provided however, as long as Developer or Developer's successors and assigns hold the right to collect such fees, Developer shall pay to District certain monthly charges per Residential Unit which the District shall apply towards the operating costs of Community Watch and The Villages Public Safety Department. The Developer's initial contribution towards operating costs for The Villages Public Safety is \$4.08 per month per Residential Unit and shall be subject to adjustment in accordance with the terms and conditions of a separate agreement between the parties addressing such contributions, as amended from time to time. The Developer's initial contribution towards operating costs for Community Watch shall be \$10.27 per month per Residential Unit, and shall be subject to adjustment in accordance with the terms and conditions of a separate agreement between the