

HARMONY COMMUNITY DEVELOPMENT DISTRICT

Rule No.:

Amendment 3 to Chapter I

Rule Title:

Three Day Right to Rescind Purchase Contract

The Three (3) Day Right to Rescind Purchase Contract previously adopted by the Board at the 25th May, 2000 regular meeting of the Board of Supervisors is hereby amended as follows:

All Developers of residential units within the District shall grant all purchasers of such units the right to rescind the unit purchase contract within three (3) days of executing same. The District Board shall approve, and the District Manager shall provide to all Developers, two (2) forms for this purpose. One form is to be given to all Parties to a Contract with a developer to inform same concerning the three (3) day right of recission and the manner in which such right is to be exercised. The second form shall be an acknowledgment of the provisions of this Rule and hold harmless to the District by the developer.

Specific Authority - 190.011(5) and 190.011(15) Fla. Stat.

Law Implemented - Section 190.011(5) and Section 190.009 Fla. Stat.

History - New 08/30/01.

**3 DAY RIGHT OF RECISSION ON RESIDENTIAL PURCHASE
CONTRACTS WITHIN THE HARMONY COMMUNITY
DEVELOPMENT DISTRICT**

To all Parties to a Contract within the Harmony Community Development District (the "HCDD"):

All purchasers of residential properties within the HCDD have the right and opportunity to rescind the purchase contract within three (3) days of the "date of execution." The date of execution is the day on which the last party required to sign the contract did so regardless of whether such party is the seller or purchaser. For example, if a wife signed the contract on Friday the 1st, a husband on Saturday the 2nd, and a Developer's sales representative signed on Monday the 4th, the contract may be rescinded at set forth below up to and until 11:59 p.m. on Thursday the 7th.

While this right of rescission is intended primarily to allow all parties to a residential unit purchase contract sufficient opportunity to review the informational materials relating to the HCDD provided by Developer/Builder and to seek counsel and advice regarding same, the contract may be rescinded within the three (3) day period for any reason whatsoever.

In order to exercise your right to rescind your purchase contract:

Within the three (3) day period,

- 1) All Parties to a Contract must sign and date this Form where indicated below;
- 2) Make two (2) copies of the signed Form and two (2) copies of the first page and all signature pages of the residential unit purchase contract;
- 3) Send the original Form with the applicable purchase contract pages attached thereto via U.S. certified mail, return receipt requested, to the Developer/Builder from whom the residential unit was to be purchased; and,
- 4) Mail or fax a copy of this Form and attached contract pages to: Attn: Gary Moyer, Secretary, Harmony Community Development District, Severn Trent Environmental Services, Inc., 610 Sycamore Street, Suite 140, Celebration, Florida 34747, Facsimile No.: (407) 566-4128.
- 5) Please retain one (1) copy of this Form and all documentation for your records.

_____	_____	_____	_____
Purchaser	Date	Purchaser	Date
_____	_____	_____	_____
Purchaser	Date	Purchaser	Date
_____	_____	_____	_____
Purchaser	Date	Purchaser	Date

**ACKNOWLEDGMENT & HOLD HARMLESS
REGARDING 3 DAY RIGHT OF RECISSION**

The undersigned Developer acknowledges the Harmony Community Development District (the "District") has provided for a policy by rule by which all Parties to a residential unit purchase Contract within the District are to be given a right to rescind any such contract within three (3) days of execution and acknowledges receipt of a copy of such rule.

Developer further acknowledges receipt of a copy of a form relating to the foregoing rescission policy and agrees to provide, or to ensure that same is provided, to all Parties to residential purchase contracts executed by Developer, Developer's agents and/or employees, and those builders, subcontractors, sub-developers and the like who may be granted the right to sell properties within the District by contract with or deed from the Developer.

Developer further agrees that the right to sell properties within the District is a valuable one and that the aforementioned right of rescission is an effective marketing tool in relation to same and agrees to indemnify, release and hold the District harmless from any and all claims, disputes, or liabilities whatsoever when claimed or raised by anyone other than Developer and when the claim, dispute or liability is related in any way to an alleged failure to provide a Purchaser with the three (3) day right of rescission.

ACKNOWLEDGED & AGREED this _____ day of _____, 2001.

DEVELOPER:

DISTRICT:

By: _____
James E. Lentz,
President
Three E Corporation, General Partner
Birchwood Acres Limited
Partnership, LLLP

By: _____
Gregory S. Butterfield,
Chairman
Board of Supervisors
Harmony CDD