

X SEE ART. XIV ENFORCEMENT
SECT I & SECT II

CKG

Rules of Community

**AMENDED AND RESTATED
DECLARATION OF MAINTENANCE COVENANTS
FOR
FOREST GROVE PATIO HOMES AT INDIAN SPRINGS**

NOTE: This document is a substantial rewording of the Declaration of Maintenance Covenants executed by Developer on October 31, 1978, recorded on December 17, 1978, at Official Records Book 3195, Page 1828, of the Public Records of Palm Beach County, as amended to this date (hereinafter the "Original Declaration"), except that all Exhibits to the Original Declaration which are not otherwise referenced herein or attached hereto remain unchanged and are hereby incorporated by reference herein as if attached hereto and made a part hereof.

**ARTICLE I
DEFINITIONS**

SECTION 1. DEFINITION OF TERMS: The following terms, as used in this Declaration, shall have the following meaning:

(A) Act shall mean and refer to Chapter 720, Florida Statutes, as same may be amended from time to time.

(B) Architectural Review Board ("ARB") shall mean and refer to a committee appointed and approved as provided in the By-Laws which shall be empowered to implement and otherwise enforce standards of the Association pertaining to structural and aesthetic modifications and improvements to property of Members.

(C) Articles shall mean and refer to the Articles of Incorporation of the Association.

(D) Assessment shall mean and refer to the share of Common Expenses of the Association assessed to a Parcel.

(E) Association shall mean and refer to Forest Grove POA, Inc., a Florida Not for Profit Corporation and a Florida Homeowners' Association, its successors and assigns.

(F) Board or Board of Directors shall mean and refer to the Board of Directors of the Association.

(G) By-Laws shall mean and refer to the By-Laws of the Association.

(H) Common Expenses shall mean and refer to: (1) expenses of administration and management of the Property; (2) expenses of maintenance, operation, protection, repair or replacement of the Common Property; (3) expenses declared Common

Expenses by the provisions of this Declaration, the Articles or by the By-Laws; (4) any valid charge against the Association or against the Property; (5) the costs of carrying out the powers and duties of the Association; and (6) all other expenses properly incurred by the Association in the performance of its duties. The cost of communications services as defined in Chapter 202, Florida Statutes, information services, or internet service obtained pursuant to a bulk contract shall also be a Common Expense, but shall not include any other separate obligations of individual Lot Owners.

(I) Common Property shall mean and refer to all portions of the Property other than the Lots, which are intended for the common use and enjoyment of the Members, which are identified and dedicated to the Association on the recorded subdivision plat of the Property or conveyed to the Association by Deed and all improvements thereon, as well as all personal property of the Association, and further including real or personal property hereafter acquired by the Association.

(J) Declaration shall mean and refer to this instrument, and all exhibits hereto, as it may be amended from time to time.

(K) Developer shall mean and refer to the entity identified in the Original Declaration as the Developer identified as the Developer in the a person or entity, and their successors and assigns, acquiring title to any tract of land in Indian Spring other than a platted single family dwelling Lot, who thereafter commences development thereof by performing and accomplishing usual subdivision or condominium improvements including, by way of example but not of requirement or limitation, engineering, platting, submitting to condominium ownership, and construction of condominium buildings or other dwelling and construction and installation of roads, sewers, drainage systems and utility systems.

(L) Dwelling shall mean and refer to the Patio Home constructed on a Lot.

(M) Forest Grove Patio Homes or Forest Grove shall mean and refer to the residential development constructed on the Property.

(N) Indian Spring Master Association, Inc. shall mean and refer to a Florida corporation, not for profit, formed for the purpose of making available to the Owners of lands in such particular tract certain recreational facilities and Common Areas.

(O) Indian Spring shall mean and refer to the real property identified as Indian Spring in Palm Beach County, Florida, operated by the Indian Spring Master Association, Inc.

* (P) Lot shall mean and refer to any one of the Blocks shown on the Forest Grove Plat on which a Dwelling is constructed.

(Q) Master Plan shall mean and refer to that certain land use plan for Indian Spring on file with Palm Beach County, Florida, pursuant to its Planned Unit

Development ordinance.

(R) Member shall mean and refer to the owner or owners of a Parcel.

(S) Mortgagee shall mean and refer to any of the following institutions, entities or persons having a mortgage lien upon a Lot: (i) a federal or state savings and loan association or bank doing business in the State of Florida or a life insurance company doing business in Florida which is approved by the Commissioner of Insurance of the State of Florida, or bank or real estate investment trust, or a mortgage banking company licensed to do business in the State of Florida, or any subsidiary thereof licensed or qualified to make mortgage loans in the State of Florida or a national banking association chartered under the laws of the United States of America; or (ii) such other Lenders as the Board shall hereafter designate as such in writing which have acquired a mortgage upon a Lot; or (iii) any "Secondary Mortgage Market Institution" including Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation and such other Secondary Mortgage Market Institution as the Board shall hereafter designate as such in writing which has acquired a mortgage upon Lots; or (iv) a private lender; or (v) a purchase money mortgage held by the seller.

(T) Multiplex Building shall mean and refer to a building constructed and existing entirely within the boundaries of one of the twenty-three (23) consecutively lettered Blocks of Forest Grove Plat and containing four Dwellings, each of which is (1) attached to each adjoining Dwelling by party walls with no portion of any Dwelling extending into the space below or above any other Dwelling, and (2) constructed and existing entirely within the boundaries of one of the Lots into which the Block has been subdivided by a Plat thereof; provided, however, that the existence of any encroachments shall not preclude a building meeting the above definitions from being a Multiplex Building.

(U) Parcel shall mean a Lot and the Dwelling constructed thereon, and the rights and privileges appurtenant thereto, including membership in the Association, voting rights in the Association, and all use rights and privileges appurtenant thereto, as set forth herein and subject to the terms and conditions set forth herein, and in the Articles of Incorporation, By-Laws and Rules and Regulations.

(V) Party Wall shall mean and refer to a vertical wall common to adjoining Dwellings and centered on the boundary line between the Lots on which the said adjoining Dwellings are constructed and existing; provided, however, that the existence of any encroachment shall not preclude a wall, meeting the above definition, from being a Party Wall.

(W) Property shall mean and refer to that real property legally described in Exhibit "A" attached to the original Declaration and real property which may or may have become subject to this Declaration.

(X) Rules and Regulations shall mean and refer to the restriction and requirements adopted by the Board of directors pursuant to the authority granted in this Declaration, the Articles of Incorporation and the By-Laws

(Y) Voting Interest shall mean and refer to the voting rights authorized to Members pursuant to the governing documents.

ARTICLE II DEVELOPMENT CONCEPT

SECTION 1. DESCRIPTION OF PROPERTY. The Developer built ninety-two (92) Dwellings, as shown on the Forest Grove Plat. Each Dwelling will have Common Structural Elements in common with at least one (1) other Dwelling.

SECTION 2. MAINTENANCE AND OPERATION OF COMMON PROPERTY AND RECREATIONAL FACILITIES. The Developer also developed a portion of the Common Area of Forest Grove (the "Recreation Area" comprising approximately .4 acres, which will include a swimming pool, bathhouse and pool deck.

ARTICLE III PROPERTY SUBJECT TO THIS DECLARATION

SECTION 1. PROPERTY: The Property shall be held, transferred, sold, conveyed and occupied subject to this Declaration.

SECTION 2. ACQUISITION OF REAL PROPERTY: The Association shall have the power and authority to acquire such interests in real property as it may deem beneficial to its Members. Such interests may include fee simple or other absolute ownership interest, leaseholds, or such other possessory or use interests as the Association may determine to be beneficial to its Members. Any real property acquired pursuant to this section shall be Common Property. The acquisition of real property by the Association shall require the approval of at least two-thirds (2/3) of the total Voting Interests of all Members; provided that the approval required by this Section shall not apply to the acquisition of Parcels by the Association in connection with a foreclosure or a deed in lieu of foreclosure of the Association's lien for Assessments, which may be approved by the Board of Directors.

SECTION 3. SALE OF REAL PROPERTY: The Association shall have the power and authority to sell its interests in real property as it may deem beneficial to its Members. The sale of any improved real property owned by the Association or unimproved real property which is generally in use by the Members shall require the approval of two-thirds (2/3) of the total Voting Interests of all Members in the Association; provided that the approval required by this Section does not apply to the sale of Parcels acquired by the Association in connection with a foreclosure or a deed in lieu of foreclosure of the Association's lien for Assessments, which may be approved by the Board of Directors.

**ARTICLE IV
FOREST GROVE POA, INC.**

SECTION 1. FORMATION: The Association is a Florida corporation not for profit and serves as the homeowners' association for Forest Grove. The purposes and powers of the Association shall be as set forth in this Declaration and in the Articles of Incorporation, By-Laws, and Rules and Regulations of the Association. The Association shall be responsible for the execution, performance, administration and enforcement of all the terms and conditions of this Declaration, the Articles of Incorporation, the By-Laws and the Rules and Regulations.

SECTION 2. MEMBERSHIP: A person or entity shall become a Member of the Association upon acquisition of fee simple title to any Parcel in Forest Gove by filing a deed in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, evidencing such ownership. Membership shall continue until such time as the Member transfers or conveys his interest of record or the interest is transferred and conveyed by operation of law. If title to a Parcel is held by more than one person, each person shall be a Member of the Association, but no Parcel shall be entitled to more than one (1) vote. Membership shall be appurtenant to and may not be separated for ownership of any Parcel. No person or entity holding an interest of any type or nature whatsoever in a Parcel only as the security for performance of an obligation shall be a Member of the Association.

SECTION 3. ADMINISTRATION OF THE ASSOCIATION: The affairs of the Association shall be administered by the Board of Directors in accordance with this Declaration and the Articles of Incorporation and By-Laws of the Association. The Articles of Incorporation and By-Laws may be amended in the manner set forth therein.

SECTION 4. VOTING: The Association shall have one (1) class of voting membership. Members shall be all persons or entities holding fee simple title to any Parcel in Forest Grove and shall be entitled to one (1) vote for each Parcel owned by such Member, as to matters on which the membership is entitled to vote, which vote may be exercised or cast by the Member in such manner as may be provided in the By-Laws of the Association.

**ARTICLE V
COMMON PROPERTY**

SECTION 1. COMMON PROPERTY: The Common Property is intended for the use and benefit of the Members of the Association and their guests, licensees and invitees. The Association is responsible for the management, maintenance and operation of the Common Property.

SECTION 2. RULES AND REGULATIONS GOVERNING USE OF COMMON PROPERTY: The Association, through its Board of Directors, shall regulate the use of the Common Property by the Members, and their guests, licensees and invitees and

may from time to time promulgate such Rules and Regulations as are consistent with this Declaration, governing the use thereof as it may deem to be in the best interests of its Members.

SECTION 3: ALTERATION TO THE COMMON PROPERTY. No portion of the Common Property may be subject to any additions, alterations or improvements (as distinguished from maintenance, repairs and replacements) which involve a Common Expense in excess of one percent (1%) of the annual budget then in effect for Common Expenses, including operating expenses and reserves, for any individual addition, alteration or improvement, or in excess of five percent (5%) percent of the annual budget then in effect, including operating expenses and reserves, for all additions, alterations or improvements undertaken within a fiscal year, unless such additions, alteration or improvements have been approved by not less than a majority of the votes of the participating membership of the Association present, in person or by proxy, at a meeting called for that purpose at which a quorum is established or voting by written agreement where at least a quorum of the membership participates. Any additions, alterations or improvements to the Common Property, or any part thereof, involving a cost less than the one percent (1%) or five percent (5%) thresholds described above, may be approved by the Board of Directors without approval of the Members. The cost and expense of any such additions, alterations or improvements to such Common Property undertaken by the Association shall constitute a part of the Common Expenses and shall be assessed to the Members accordingly. No Member shall make any addition, alteration or improvement in or to the Common Property.

ARTICLE VI ASSESSMENTS

SECTION 1. AUTHORITY: The Association, through its Board of Directors, shall have the power and authority to make and collect Assessments as hereinafter set forth.

SECTION 2. ANNUAL ASSESSMENTS: The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association, determine the amount of Assessments payable by the Members to meet the Common Expenses and allocate and assess such Assessments among the Members in accordance with the provisions of this Declaration and the By-Laws. Additionally, the Board of Directors may levy special assessments when determined by the Board of Directors to be necessary. The Board of Directors shall advise all Members promptly in writing of the amount of the Assessments payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such Assessments are based, to all Members. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any Budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of the By-Laws.

SECTION 3. PAYMENT OF ASSESSMENTS:

(A) Liability for Assessments. A Member, regardless of how title is acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, shall be liable for all Assessments and other charges coming due while that person is a Member. Except as provided in this Section 8 of Article VI, the Member shall also be jointly and severally liable with the previous Member for all unpaid Assessments and other charges that came due up to the time of the transfer of title. This liability is without prejudice to any right the Member may have to recover from the previous Member the amounts paid by the Member. The person acquiring title shall pay the amount owed to the Association within thirty (30) days after transfer of title. Failure to pay the full amount when due shall entitle the Association to record a claim of lien against the Lot and proceed in the same manner as provided herein and in the Act for the collection of unpaid Assessments. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Property or by the abandonment of the Lot for which the Assessments are made or otherwise.

(B) Default in Payment of Assessments. Assessments authorized by Article VI of this Declaration and installments thereof not paid within fifteen (15) days from the date when they are due shall bear interest at the highest lawful rate from the date due until paid. In addition to the above stated interest, the Association shall charge an administrative late fee in an amount not to exceed the highest amount provided for in the Act on Assessments and installments thereof not paid when due. All partial payments upon account shall be applied in the manner prescribed in the Act. The Association is hereby granted a lien on each Lot to secure the payment of Assessments. The lien shall have such priority as may be provided in the Act and shall secure (whether or not stated therein) all unpaid Assessments, which are due at the time a claim of lien is recorded, as well as all regular and special Assessments which may be levied or which may accrue subsequent to the recording of the claim of lien and prior to satisfaction of the lien or the issuance of a certificate of title, together with interest, late charges and all reasonable costs and attorney's fees incurred by the Association incident to the collection and foreclosure process. Upon payment in full, the person making the payment is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose its lien in the same manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid assessments. As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid, the Association may declare the Assessment installments for the remainder of the fiscal year in which a claim of lien has been filed to be accelerated, as provided in Section G below.

(C) Assignment of Rents. The Association is hereby granted a lien against any rents derived from the Lot which shall have the same priority as the Association's lien for unpaid assessments against the Lot. Except to the extent limited by the Act, the lien on any rentals derived from the Lot shall be enforceable by the delivery of written notice to the

owner and the tenant demanding the payment of the rents, provided, however, that no such demand may be made unless and until the Member is delinquent in the payment of any Assessment or other charge due and payable to the Association by the Member under this Declaration.

(D) First Mortgagee. A First Mortgagee acquiring title to a Lot as a result of foreclosure of its first mortgage, or by deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of all or any portion of the Common Expenses and Assessments coming due during the period of such ownership. In addition, the First Mortgagee is liable for the share of Common Expenses or Assessments or other charges imposed by the Association pertaining to such Lot which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed; provided, however, the First Mortgagee's liability may be limited to the maximum amount set forth in the Act. If any unpaid share of Common Expenses or Assessments or other charges is extinguished by foreclosure of a superior lien or by a deed in lieu of foreclosure thereof, the unpaid share of Common Expenses or Assessments are Common Expenses collectible from all of the Members, including such acquirer, and such acquirer's successors and assigns.

(E) Certificate of Unpaid Assessments. Within fifteen (15) days after request by a Member or mortgagee of a Lot, the Association shall provide a certificate stating whether all Assessments and other moneys owed to the Association by the Member with respect to his Lot have been paid. Any person other than the Member who relies upon such certificate shall be protected thereby. The Association or its authorized agent may charge a reasonable fee for the preparation of the Certificate.

(F) Installments. Regular Assessments may be collected no more frequently than monthly nor less frequently than quarterly, in advance, at the option of the Board of Directors. Special Assessments shall be payable on such terms as may be established by the Board.

(G) Acceleration of Assessment Installments Upon Default. If a Member shall be in default in the payment of an installment upon an Assessment, the Board may accelerate the remaining installments of the Assessment applicable for the balance of the current fiscal year upon notice to the Member, and the then unpaid balance of the Assessment shall be due upon the date stated in the notice.

ARTICLE VII MAINTENANCE OF PROPERTY

SECTION 1. ASSOCIATION RESPONSIBILITIES FOR COMMON PROPERTY: The Association shall be responsible for maintenance, repair and replacement of the Common Property.

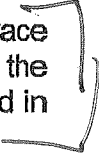
SECTION 2. ASSOCIATION AND PARCEL OWNER RESPONSIBILITIES FOR LOTS:

(A) Dwellings. All maintenance, repairs and replacements of, in or to any Dwelling shall be performed by the Owner of such Dwelling at the Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein. The foregoing responsibility of the Owner includes, but is not limited to, all electrical and plumbing fixtures, shower pans, lines, pipes, outlets, wiring and connections within or serving only that Dwelling, appliances, carpets and all other floor, wall and ceiling coverings, all interior surfaces, the heating and air-conditioning equipment (wherever situated), and everything else within the boundaries of the Dwelling except to the extent the Association is specifically responsible therefore under sub-section C of this Article VII, Section 2. The Owner shall also maintain, repair and replace, at his, her or its sole cost and expense, all portions of any hurricane protection that the Owner may install, upon prior written approval of the Association, which cost and expense shall also include the cost and expense of removal and/or reinstallation by the Association of the hurricane protection if necessary or required in order for the Association to discharge its obligations hereunder.

(B) Specific Owner Responsibilities.

(i) The Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of any portions of the air-conditioning and heating systems serving only his or her particular Dwelling, including, but not limited to, filters, the compressor, condenser, motor, fan, air handler, discharge lines, and all related parts, without regard to whether such items are located within the boundaries of the Dwelling, except as provided in sub-section C of this Article VII, Section 2. Notwithstanding the foregoing, the Association may enter into a service contract for all air conditioning and heating systems serving any portion of the Common Areas, with the cost of the service contract being paid for at Common Expense, provided, however, that each individual Owner shall be responsible for any maintenance, repair or replacement not covered by the service contract.

(ii) The Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of all exterior screens, doors (including painting as necessary), and windows serving a Dwelling, including, without limitation, all frames, locks and operating mechanisms appurtenant thereto, as well as trim and caulking. Without limiting the generality of the foregoing, no Owner may decorate, alter or modify exterior screens, doors, or windows or the framework, locks or operating mechanisms thereof in any manner whatsoever, except with the prior written approval of the Board of Directors, as provided in subsection D of this Article VII, Section 2.

- (iii) The Owner shall be responsible at his or her own expense for the maintenance, repair, and replacement of all fans, stoves, hot water heaters, refrigerators, sinks, toilets, tubs, showers, shower pans, or other appliances or equipment, including any fixtures and/or their connections required to provide utility service to his Dwelling.
- (iv) The Owner shall be responsible at his or her own expense for the maintenance, repair and replacement the circuit breaker box within or serving the Dwelling and all electrical lines, conduits or fixtures running from the circuit breaker box into the Dwelling up to and including the fixtures or outlets within the Dwelling.
- (v) The Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of the main shut-off valves, within or serving the Dwelling and all plumbing lines, conduits or fixtures running from the main shut-off valve into the Dwelling up to and including the fixtures or outlets within the Dwelling and all drain lines within or serving the Dwelling up to the point the drain line connects to the common line, such common drain lines to be maintained, repaired and replaced by the Owners of the Dwellings which share the use of the drain line.
- (vi) Maintenance and upkeep of the interior areas of any balcony, terrace or patio or fenced in area shall be the exclusive responsibility of the Owner of the Lot on which that balcony, terrace or patio or fenced in area is located. 
- (vii) Owners shall promptly report to the Association any defects or need for repairs, the responsibility for the remedy of which is that of the Association.
- (viii) All maintenance, repair or replacement for which the Owners are responsible shall be performed by contractors with appropriate licensure and insurance. The Board of Directors may set standards for appropriate levels of insurance and may require proof of licensure, insurance and the procurement of any required permits before permitting a contractor on the property. The Board may deny access to the property to any contractor performing work that requires approval from the Board of Directors hereunder until such approval has been granted in the manner required herein.

(C) Common Property. Except to the extent (i) expressly provided to the contrary herein, or (ii) proceeds of insurance are made available therefor, the Association shall be responsible, at common expense, for:

- (i) All maintenance, repairs and replacements in or to the Common Property;
- (ii) The exterior walls and roofs of Multiplex Buildings, provided that such costs shall be allocated only to the Owners of Dwellings within that Multiplex Building in equal shares;
- (iii) All fixtures on the exterior of the Multiplex Buildings, provided that such costs shall be allocated only to the Owners of Dwellings within that Multiplex Building in equal shares;
- (iv) All electrical lines, conduits or fixtures from the shared or common distribution facility or conduit up to, but not including, the circuit breaker box within or serving the Dwelling;
- (v) All plumbing lines, conduits or fixtures from the shared or common distribution facility or conduit up to, but not including, the main shut off valve within or serving the Dwelling;
- (vi) All air conditioning supply pipes, return pipes and ball valves serving the Common Property;
- (vii) All property owned by the Association;

The Association's aforementioned responsibilities shall not apply to the extent such maintenance, repair or replacement arises from or is necessitated by the negligence, misuse or neglect of one or more Owners, their families, tenants, guests or invitees, in which case such cost and expense shall be paid solely by such Owners, and shall be enforceable in the same manner as any Assessment under Article VI hereof, including, but not limited to, by recordation and foreclosure of a claim of lien against the Parcel.

(D) Consent of the Board of Directors. No Owner shall make any addition, alteration or improvement in or to the interior of the Dwelling which is structural in nature, or which impacts the Common Property in any way, any work which involves piercing a Party Wall in a material manner, any work which relocates, modifies or installs new electrical, plumbing, telephone or any such utility line, or any work which requires the issuance of a permit from a governmental or regulatory authority or agency, without the prior written consent of the Board of Directors. Any and all requests for approval hereunder must be submitted in writing to the Association with plans prepared and sealed by the appropriate professional (i.e., architect, engineer, etc.). The Board shall have the obligation to answer any written request by an Owner for approval of such an addition, alteration or improvement within thirty (30) days after receipt of such request and all sealed plans or thirty (30) days after receipt of any additional information requested by the Board within thirty (30) days of receipt of the initial request. Failure to respond within the

stipulated time shall constitute the Board's consent. The proposed additions, alterations and improvements by the Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, which may not be waived by the Association under any circumstances, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. Once approved by the Board of Directors, such approval may not be revoked. An Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and all future owners of the Dwelling, and their heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, its Board members, officers and employees, and all other Owners harmless from and to indemnify them for any liability or damage to the Common Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair, replacement and insurance for such additions, alterations or improvements from and after the date of installation or construction thereof as may be required by the Association, and shall also be responsible for all costs associated with removal and reinstallation of same when necessary, in the discretion of the Board of Directors, in connection with the Association's performance of its maintenance obligations under this Declaration. The Board may impose the requirements set forth in sub-section B(viii) of this Article VII, Section 2, above and may require the execution of a covenant to run with the Dwelling to memorialize the application, approval, conditions of approval and future obligations of the Owner and may condition its approval of any addition, alteration or improvement hereunder upon the preparation, execution and recording of such a covenant at the Owner's expense.

ARTICLE VIII EASEMENT, COMMON PROPERTY, RIGHT OF ENTRY

SECTION 1. MEMBER'S EASEMENTS OF ENJOYMENT: Subject to the provisions of this Section, each Member shall have a right and easement of enjoyment in and to the Common Property, which easement shall be appurtenant to and shall pass with the title to each Parcel.

SECTION 2. EXTENT OF MEMBER'S EASEMENT: The rights and easements of enjoyment created hereby shall be subject to the following:

- (A) The right of the Association, to borrow money for the purpose of maintaining or improving the Common Property.
- (B) The right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure.
- (C) The right of the Association to suspend use rights as provided in Article XIV.
- (D) The right of the Association to properly maintain the Common Property.

(E) The right of the Association to dedicate, transfer, license, lease, or grant an easement for all or any part of the Common Property to any public agency, authority, utility water management or water control district, or other entity, parcel owner or person.

(F) Restrictions contained on any Plat, or filed separately, with respect to all or any portion of the Property.

(G) All of the provisions of this Declaration, and the Articles of Incorporation and By-Laws of the Association and all Exhibits thereto, as well as the Rules and Regulations, as all of the same may be amended from time to time.

SECTION 3. EASEMENT GRANTS: The following easements are hereby granted and/or reserved over, across and through the Property:

(A) Easements for the installation and maintenance of utilities are granted. Within these easement areas, no structure, planting or other material, (other than sod) which may interfere with the installation and maintenance of underground utility facilities, shall be placed or permitted to remain, unless such structure, planting or other material was installed by the Association and/or approved in advance in writing by the Association. The Association (or such other entity as is indicated on the plats) is hereby granted access to all easements within which such underground facilities are located for the purpose of operation, maintenance and replacement thereof.

(B) Easements for the installation and maintenance of drainage facilities are granted to the Association, and/or other entities as shown on the recorded subdivision plats of the Property. Within these easement areas, no structure, planting or other material, (other than sod) which may interfere with such installation and maintenance, or which may obstruct or retard the flow of water through drainage channels shall be placed or permitted to remain unless such structure, planting or other material was installed by the Association. The Association (and any other entity indicated on the plats) shall have access to all such drainage easements for the purpose of operation and maintenance thereof.

(C) The Common Property is hereby declared to be subject to a perpetual nonexclusive easement in favor of the Association, employees and agents of the Association, and of any management entity contracted by the Association, in order that such employees, agents and management entity may carry out their duties.

(D) Easements are hereby reserved throughout the Property by the Association for its use and the use of its agents, employees, licensees and invitees, for all purposes in connection with the maintenance of the Property.

(E) Party Wall Rights of Easement.

- (i) **Sharing of Repairs and Maintenance.** The cost of reasonable repair and maintenance of a Party Wall shall be shared equally by the owners of the Dwellings sharing such Party Wall.
- (ii) **Destruction by Fire or Other Casualty.** If a Party Wall is destroyed or damaged by fire, termite infestation or other casualty, the owner of either Dwelling sharing such Party Wall may restore it to its former condition and, in that event, the Owners of the Dwellings parties sharing the Party Wall shall contribute equally to the expense of such restoration.
- (iii) **Right to Contribution.** The right of any Owner to contribute to the cost and expense of repair, maintenance and/or restoration of any Party Wall shall be a personal right running to the benefit of the Owner bearing the cost and expense as aforementioned, and shall not be appurtenant to or otherwise run with the land, nor shall it pass to such Owner's successor-in-interest.
- (iv) **Party Wall Right of Maintenance Easement.** The Owner of a Dwelling sharing a Party Wall shall have an easement to maintain the Party Wall in its original location, as constructed by the Developer, and to enter upon the property of the Owner of the Dwelling sharing the Party Wall, in a reasonable manner and at a reasonable time for the purpose of repairing and/or maintaining the Party Wall, subject to the terms and conditions of the Declaration.

* **SECTION 4. EMERGENCY RIGHT OF ENTRY:** In case of any emergency originating in, or threatening any Dwelling, regardless of whether the Member is present at the time of such emergency, or in the event necessary to enforce the obligations of a Member hereunder, the Board of Directors of the Association, or any other person authorized by it, shall have the right, but not the obligation to enter such Parcel for the purposes of remedying, or abating the cause of such emergency, or curing any violation, and such right of entry shall be immediate in the event of emergency or upon reasonable notice in all other circumstances.

SECTION 5. ADDITIONAL EASEMENTS, LICENSES, AND LEASES: The Association, shall have the right to grant such additional easements, licenses or leases, to benefit and facilitate improvements on Lots, private cable television service companies, or to relocate existing easements throughout the Property as the Association may deem necessary or desirable, provided that such additional easements, licenses or leases or relocation of existing easements do not prevent or unreasonably interfere with the Members' use or enjoyment of the Property or interfere with any existing agreements or contracts entered into with any cable television service company or other utility

company.

ARTICLE IX ARCHITECTURAL CONTROLS

SECTION 1. ARCHITECTURAL AND DESIGNS CONTROLS. The Association, acting through the Board of Directors or the Architectural Review Board (the "ARB"), shall have the authority to review and approve plans and specifications for the location, size, type or appearance or any other improvement on a Lot; and to enforce standards for the external appearance of any structure or other improvement located on the Lot, as set forth in the this Declaration and in any architectural guidelines promulgated by the Board of Directors or the ARB (which guidelines may be included in the Rules and Regulations). If there are any conflicts between this Declaration and architectural guidelines, the Declaration shall control.

(A) It is the intent of the Association to create a uniform scheme for the Property and to create within the Property a residential community of high quality and harmonious Improvements. Accordingly, the ARB shall, subject to appeal to the Board of Directors, have the right to approve or disapprove all architecture, landscaping and location of any proposed Improvements for Lots. The ARB shall consist of at least three (3) members. Each member shall be a Member of the Association appointed as provided in the By-Laws. The ARB may impose standards for construction and development consistent with all applicable provisions prescribed in applicable building, zoning or other governmental codes. The procedures for the ARB shall be set forth below:

(B) No Improvements shall be constructed, erected, removed, planted or maintained, nor shall any addition to or any change, replacement or alteration therein be made until the plans and specifications therefore showing the nature, kind, shape, height, materials, floor plans, exterior wall texture, color scheme, and the location of same, including a surface water drainage plan showing existing and design grades and/or contours relating to the predetermined ground floor finish elevation established by the Association, shall have been submitted to and approved in writing by the ARB. As part of the application process, two (2) complete sets of plans and specifications prepared by an architect, landscape architect or engineer shall be submitted for approval by written application on such forms as may be provided or required by the ARB. The ARB may require submission of samples of building materials and colors proposed-to-be-used.

(C) In the event the information submitted to the ARB is, in the ARB's opinion, incomplete or insufficient in any manner, the ARB may request and require the submission of additional or supplemental information.

(D) The ARB shall have the right to approve or reject any plans and specifications, which are not suitable or desirable for aesthetic or any other reasons. In approving or rejecting such plans and applications, the ARB shall consider the suitability

of the proposed Improvements and materials of which the same are to be built, the site upon which such Improvements are proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property.

(E) Construction of all Improvements for which the approval of the ARB is required under this Declaration shall be completed within the time period specified by the ARB. Failure to complete such work within the specified time period shall be deemed a violation of this Declaration for which the Association will be entitled to damages or any other remedy authorized by this Declaration or the applicable Statute. Such damages may be assessed as an Individual Assessment which may include, without limitation, a fine as provided for in Article XIV of this Declaration.

(F) This Article shall not be deemed to excuse any Owner from compliance with local building and construction codes, ordinances, and/or regulations and improvements constructed shall conform to the requirements of such laws, codes, ordinances and regulations, nor shall the ARB's approval create any presumption or representation that the Owner's plans comply with applicable laws, codes, ordinances and regulations, nor that the work will serve its purpose as intended by Owner.

(G) Upon approval by the ARB of any plans and specifications submitted to the ARB, the ARB shall notify the applicant in writing, which notifications shall set forth any qualifications or conditions of approval. In the event that the ARB disapproves any plans and specifications submitted to the ARB, the ARB shall so notify the applicant in writing, stating the grounds upon which such disapproval is based.

(H) Neither the Directors or officers of the Association, the members of the ARB, nor any person acting on behalf of any of them, shall be liable for any costs or damages incurred by any Member within the Property or any other party whatsoever, due to any mistakes in judgment, negligence or any action of the ARB in connection with the approval or disapproval of plans and specifications. Each Member and occupant of any Lot within the Property agrees, as do their successors and assigns by acquiring title thereto or an interest therein or by assuming possession thereof, that they shall not bring any action or suit against the Directors or officers of the Association, the members of the ARB or their respective agents, in order to recover any damages caused by the actions of the ARB. The Association shall indemnify, defend and hold harmless the ARB and each of its members from all costs, expenses and liabilities, including attorneys' fees, of all nature resulting by virtue of the acts of the ARB or its members. Neither the Directors nor officers of the Association, the members of the ARB, nor any person acting on behalf of any of them, shall be responsible for any defects in any plans and specifications, nor for any defects in any Improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

(I) The approval of the ARB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter

requiring the consent of the ARB shall not be deemed to set a precedent for approval of any similar plans and specifications or drawings subsequently submitted to approval with respect to the same Lot or any other Lot.

(J) In the event the ARB fails to approve or disapprove the requested item within forty-five (45) days after the ARB has acknowledged receipt of a complete application for completed applications received between October 1 and March 31, inclusive, or within sixty (60) days after the ARB has acknowledged receipt of a complete application for completed applications received between April 1 and September 30, inclusive, it shall be considered as being approved. Should the ARB be a body other than the Board of Directors, a decision of the ARB may be appealed by any Member to the Board and such appeal must be filed in writing and received by the Board within ten (10) days of the decision of the ARB. The Board shall render a decision with respect to the matter appealed within forty-five (45) days after the Board receives such appeal and the decision of the Board will be final. If the Board fails to reach a decision as to the matter within the said forty-five (45) day period, the decision of the ARB shall govern.

ARTICLE X USE RESTRICTIONS

SECTION 1. RESTRICTIONS ON USE OF PARCELS AND COMMON PROPERTY:

(A) Residential Use. All Lots shall be used only as single family, private, residential dwellings and for no other purpose. Single family shall mean up to two persons living together as a single housekeeping unit, and their spouses, domestic partners, children, grandchildren, parents, grandparents, parents-in-law and siblings. No business or commercial building may be erected on any Lot. No business or commercial activity of any kind shall be conducted on or from any Lot nor in or from any Dwelling, nor may the address or location of the residence or Association's name be publically advertised as to location of any business or commercial activity. This restriction shall not be construed to prohibit any Owner from maintaining a personal or professional library, from keeping personal or professional business records in his or her residence, or from handling personal, business or professional communications and written correspondence in and from his residence so long as such use does not involve customers or clients coming onto the Property, the posting of signage within the Property, or create a nuisance as defined in Article X(I) of this Declaration. Notwithstanding the foregoing, the Board of Directors may adopt and amend from time to time Rules and Regulations regarding certain commercial activities which do not establish an ongoing commercial enterprise and do not detract from the residential character of the community.

(B) Occupancy of Lots.

- (i) Any and all owners of a Lot shall have the right to occupy the Dwelling thereon, subject to the restrictions in this Declaration. The

right of occupancy or use of a Lot may not be transferred to another party, except through conveyance or transfer by operation of law, as approved by the Association in accordance with the terms set forth herein. The individual or individuals designated by a corporation, partnership, trust or other entity to occupy the Lot shall be subject to this Declaration and shall be subject to screening and approval in the same manner as tenants hereunder.

- (ii) A guest shall be considered any occupant who is not an Owner or approved tenant. There shall be no time limitation on guest occupancy provided the guest occupies the Dwelling with the Owner or approved tenant or the guest is a member of the Owner's or approved tenant's family, as defined above. However, any guest who occupies a Dwelling in excess of thirty (30) days cumulatively in any calendar year shall be subject to screening as a tenant. Guest occupancy in the absence of the Owner or approved tenant by persons other than members of the Owner's or approved tenant's family, as defined above, is prohibited. Prior to any occupancy of the Dwelling by any guest, the Owner or approved tenant must provide written notice to the Association of the name or names of the intended guests, any familial relationship to the Owner or approved tenant, the anticipated date of arrival, and the anticipated date of departure.
- (iii) All owners, guests, tenants, family members or invitees shall be subject to the restrictions set forth in this Declaration and in the Rules and Regulations and any person other than an owner violating the restrictions in this Declaration or the Rules and Regulations shall be subject to removal from the Parcel and may be precluded from entering the Property.

(C) **Leasing.** Only entire Dwellings may be rented and no portion of a Dwelling may be rented. A Dwelling shall not be leased or rented without the prior written approval of the Association, which approval shall not be unreasonably withheld. No Owner may lease his or her Dwelling more than once in a twelve (12) month period, measured from the commencement of the most recent prior lease. No Owner may lease his or her Dwelling during the first twenty-four (24) months of ownership, measured from the date of recordation of the most recent instrument conveying any interest in title to the Dwelling, except transfers by devise or inheritance to members of the family, as defined herein above, of a deceased Owner, or Dwellings acquired by the Association, or transfers to add a member of the Owner's family, as defined hereinabove, to the title for estate planning purposes. In the event of conveyance of title with an approved occupant in possession under lease, said moratorium against leasing during the first twenty-four (24) months of ownership shall commence upon expiration of lease. No lease may be for a term of less than three (3) months or more than twelve (12) months. No rooms may be rented and no transient tenants

accommodated. A Dwelling shall be considered leased any time it is occupied by a tenant. The Association shall have the right to require that a substantially uniform form of lease be used. The lease shall include a provision granting the Association authority and standing to evict any lessee of an Owner who is in breach or violation of this Declaration or the rules and regulations of the Association. In the event the Association approves a rental or lease, such approval of a lease or rental shall not release the Owner from any obligation under this Declaration, and the tenant shall have the right to use the facilities and Common Areas to the exclusion of the Owner unless the tenant waives such rights in writing. Regardless of whether or not expressed in the applicable lease, if any, an Owner shall be jointly and severally liable with his, hers or their tenants to the Association for any amount which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant or for the acts and omissions of the tenant(s) or occupant(s) (whether or not subject to a lease) which constitute a violation of, or non-compliance with, the provisions of this Declaration and of any and all rules and regulations of the Association. All tenants shall comply with and be subject to the provisions of this Declaration, the By-Laws, and the Act and the provisions of same shall be deemed expressly incorporated into any lease of a Dwelling. Subleases are prohibited.

When a Dwelling is leased, a tenant shall have all use rights in the Common Areas otherwise readily available for use generally by Owners, and the Owner of the leased Dwelling shall not have such rights. The exclusive use rights of the lessee shall extend for the full term of any approved lease, unless the lease is terminated due to the death of the tenant or a medical emergency involving the tenant. Nothing herein shall interfere with the access rights of the Owner as a landlord pursuant to Chapter 83, Florida Statutes. Dual usage by an Owner and a tenant of Association Property and Common Areas is prohibited.

(D) Pets. No pets or animals may be kept or brought on any portion of the Property at any time except as specifically permitted herein and subject to the rules and regulations adopted by the Board of Directors. Only Owners may bring, harbor or keep birds in a cage or fish in a tank, provided that the size of the fish tank may not exceed ten (10) gallons. No tenant or guest may bring a pet onto the Property. In addition to the foregoing, the Board may make and amend rules from time to time to impose further restrictions on the keeping and handling of permitted pets on the Property, which may include, without limitation, the species and number of birds which may be permitted. Permission to have a pet on the Property may be revoked for any violation of the requirements of this provision or the rules adopted by the Board or should any pet on the Property become a nuisance.

(E) Parking. No parking space may be used for storage of personal property. The following guidelines shall apply with regard to permitted and prohibited vehicles on the Property (including, without limitation, any assigned or unassigned parking spaces):

- (i) ONLY passenger automobiles, station wagons, sport utility vehicles and passenger vans may park on the Property.

- (ii) Without limiting the general provisions set forth above, the following types of vehicles WILL NOT be permitted to park on the Property, except as provided by sub-paragraph (iii) below:
- (a) Commercial vehicles of any type, including, without limitation, any vehicle, including permitted vehicles, showing or displaying any commercial, charitable or institutional (e.g., church or school) markings, signs, displays or otherwise indicating a commercial or other non-personal use or a vehicle used for commercial purposes;
 - (b) Vans, other than passenger vans (passenger vans must have windows on all body panels);
 - (c) Motorcycles or other two or three wheeled motorized vehicles over 1,500 cubic centimeters;
 - (d) Stretch limousines;
 - (e) Trucks of any type, including, but not limited to, pick-up trucks of whatever nature, and any vehicle with a passenger cab and cargo bed, whether covered or uncovered, whether with a bed top or without, the term cargo bed being specifically intended to refer to those vehicles with a bed exposed to the elements or covered by a top (as an after-market device) which are designed, manufactured marketed or sold primarily for the purpose of carrying cargo rather than passengers, with a capacity in excess of 6,000 kilograms gvw;
 - (f) Agricultural vehicles;
 - (g) Dune buggies;
 - (h) Any trailer or other device transportable by vehicular towing;
 - (i) Semis, tractors or tractor trailers;
 - (j) Buses;
 - (k) Travel trailers;
 - (l) Boats and boat trailers with or without boats;
 - (m) Vehicles which are not fully mechanically operable or not currently licensed or registered for use;

- (n) Motorcycle delivery wagons;
 - (o) Recreational vehicles;
 - (p) Mobile homes or mobile houses;
 - (q) Truck mounted campers attached or detached from the truck chassis;
 - (r) Motor homes or motor houses;
 - (s) Motor vehicles not having any bodies whatever, or incomplete buggies;
 - (t) Swamp buggies; and
- (iii) While engaged in making deliveries or service calls, or if being utilized by Association employees, trucks and other commercial vehicles may be parked in designated areas, but not overnight.
 - (iv) All vehicles parked on the property contrary to the provisions contained herein shall be subject to being towed in accordance with Section 715.07, Florida Statutes, as amended from time to time, at the expense of the owner of the vehicle. Towing shall not be the exclusive remedy of the Association.
 - (v) Notwithstanding anything herein to the contrary, but subject to subparagraph (iii) above, no vehicle or other device shall be permitted to park on the Common Property for other than delivery or service call purposes, if its dimensions exceed the dimensions of the parking space assigned or designated.
 - (vi) The Board may adopt and amend additional rules and regulations regarding the issuance and display of decals to identify residents' or guests' vehicles.

(F) Temporary Structures. No structure or object of a temporary character, including, but not limited to, house trailers, vans, tents, shacks, sheds or temporary or accessory buildings or structures, shall be erected, kept or maintained on the Property, or any part thereof without prior written approval from the Board of Directors or the ARB, as provided in Article IX of this Declaration. This restriction shall not apply to temporary structures used by the Association. This restriction may also be waived by the Association with respect to construction by builders, pursuant to separate written agreements.

(G) Insurance. No Member shall permit or suffer anything to be done or kept within his Lot or make any use of the Common Property, which will increase the rate of insurance on any portion of the Property.

(H) Nuisances. No Member shall permit any use or practice, which is either an annoyance or nuisance to exist upon or within the Lot, or permit any conduct that creates any excessive or offensive noise or disturbance to Members or an interference with the peaceful possession and proper use of the Property. No Member shall commit or permit any nuisance or any immoral or illegal activity in or about the Property. For greater clarification, no Member shall knowingly or willfully make or create any unnecessary, excessive or offensive noise or disturbance which destroys the peace, quiet and/or comfort of the Members or allow any such noise or disturbance to be made on his Lot.

(I) Antennae. No radio, television or other electronic antennae, or aerial satellite system (hereinafter collectively referred to as "Antennae") may be erected, installed or maintained anywhere on the Common Property by any person or entity other than the Association, nor may any of the foregoing be installed on any Lot, without the prior written approval of the ARB. To the extent feasible and subject to applicable law, all Antennae approved by the ARB must be placed in locations that are not visible from any street and in a location to minimize annoyance or inconvenience to other Members if the placement would still permit reception of an acceptable quality signal. The ARB is hereby authorized to adopt additional restrictions and guidelines regarding the installation of Antennae.

(J) Access to Lots. Whenever the Association is permitted or required by this Declaration to enter any Lot for the purpose of correction, repair, cleaning, clearing, moving, or any other required or permitted activity, such entrance shall not be deemed a trespass.

(K) Signs. No signs, advertisements or notice of any kind shall be displayed to the public view on any Lot.

(L) Housing For Older Persons Restriction. Forest Grove is intended as housing for older persons. Accordingly, the members of the Association wish to operate as housing for older persons as that term is used and defined in the applicable Federal and State Fair Housing laws. Accordingly, all Dwellings shall be held for occupancy by persons fifty-five (55) years of age or older, subject to the exceptions noted below, and no permanent occupancy by persons under the age of eighteen (18) shall be permitted. The term occupancy shall have the meaning ascribed in the applicable Federal and State Fair Housing laws and the rules promulgated pursuant thereto. No occupancy shall be permitted by individuals between the ages of eighteen (18) and fifty-four (54), inclusive, unless the Dwelling is also occupied by at least one person fifty-five (55) years of age or older. Persons under eighteen (18) years of age may visit and occupy a Dwelling as a guest, but no Dwelling may be occupied by persons under eighteen (18) years of age for more than thirty (30) days cumulatively in a calendar year. Accordingly, the Board shall

not approve any proposed transfer to persons who do not intend to hold the Dwelling out for occupancy by persons fifty-five (55) years of age and older or to persons who intend to occupy the Dwelling without at least one occupant over the age of fifty-five (55). The Board may permit sales where the title holders will not include at least one person fifty-five (55) years of age or older on the condition that all purchasers verify in writing in a form acceptable to the Association that they intend to hold the Dwelling out for occupancy by persons fifty-five (55) years of age or older or intend to occupy the Dwelling with at least one person fifty-five (55) years of age or older in occupancy with them at all times. The only exceptions where occupancy by persons between the ages of eighteen (18) and fifty-four (54), inclusive, will be permitted are the surviving spouse of a deceased member of a deceased member who resided with the deceased member in the Dwelling where the deceased member was over fifty-five (55) years of age, but the surviving spouse is between eighteen (18) years of age and fifty-five (54) years of age, inclusive, and the surviving children of a deceased member where the deceased member was over fifty-five (55) years of age, but the surviving children are between eighteen (18) years of age and fifty-four (54) years of age, inclusive. The foregoing exceptions will only be permitted if the resulting occupancy levels will remain at at least eighty (80%) percent as provided below or as required by applicable law.

The Board of Directors shall establish policies and procedures for the purpose of assuring that the Board implements the intent of this provision in connection with the screening of sales, leases and all other transfers pursuant to this Declaration and for the purpose of assuring that at least eighty (80%) percent of the occupied Dwellings in Forest Grove operated by the Association are occupied by at least one person fifty-five (55) years of age or older. The Board of Directors shall take all reasonable steps to insure that the community's status as housing for older persons is preserved and protected. A census will be conducted as often as and in the manner required by applicable law.

(M) Fruit trees may not be planted. No bougainvillea or other shrubs growing on vines are permitted. Approval of the Board of Directors must be obtained before any plantings or potted plants of any kind are placed on the Common Area.

ARTICLE XI CONVEYANCES, SALES, RENTALS, LEASES AND TRANSFERS

In order to insure the community of congenial residents and thus protect the value of the Dwellings, the sale, leasing, rental, and transfer of Dwellings by any Owner shall be subject to the following provisions:

SECTION 1. TRANSFERS SUBJECT TO APPROVAL. The following transfers shall be subject to prior written approval of the Board of Directors and any transfer undertaken without prior written approval of the Board of Directors shall be void:

- A. All sales of Dwellings except judicial sales conducted pursuant to a judgment of foreclosure held by an Institutional First Mortgagee encumbering a Dwelling or public sales conducted by the Palm

Beach County Tax Collector resulting from the failure to pay real property taxes, subject to the limitations of applicable law.

- B. All transfers by lease.
- C. All transfers by gift.
- D. All transfers by devise or inheritance.
- E. Any other transfer of title to or possession of a Dwelling.
- F. All transfers subject to approval shall require, as a condition of approval, the payment to the Association of a transfer fee not to exceed the maximum amount permitted by the Act and, if the Act is silent, at such amounts as shall be established by the Board of Directors.
- G. All transfers by lease may be conditioned upon the posting of a security deposit with the Association not to exceed the maximum amount permitted by the Act and, if the Act is silent, at such amounts as shall be established by the Board of Directors.

SECTION 2. NOTICE FROM OWNER. Prior to approving any transfer subject to approval hereunder, the Association shall be entitled to written notice of the transferor's intent to make the transfer with a copy of the documentation evidencing the intended transfer, including, but not limited to, a copy of the contract for sale in the case of a sale, a copy of the Letters of Administration for the Personal Representative of a deceased Owner's estate and such other documentation from the Probate Court file as the Board may reasonably require in the event of a transfer by devise, a copy of the lease in the case of a lease, and a copy of any other documentation pertaining to a proposed transfer subject to approval hereunder which the Association may reasonably require, completed applications on forms prescribed by the Association, a personal interview with the proposed transferee(s) and any other intended occupants of the Dwelling, and such other and further information about the intended transferees or occupants as the Association may reasonably require.

SECTION 3. ASSOCIATION'S ELECTION. Within thirty (30) days of receipt of the last of the information required pursuant to Section 2 above, the Association must either approve or disapprove the transfer. Failure on the part of the Association to respond within said thirty (30) day period shall constitute automatic approval for the proposed transfer.

A. Approval. In the event the Association approves a lease, the Association shall notify the transferor and transferee of its approval in writing. In the event the Association approves any other transfers subject to approval hereunder, the Association shall deliver to the transferor or the transferor's designee an executed certificate of

approval, approving the transfer, executed by an authorized representative of the Association.

B. Disapproval of Transfer of Title. In the event the Board of Directors disapproves a proposed sale or other transfer of title, unless good cause exists, as defined below, the Association must, within thirty (30) days of receipt of the last of the information provided pursuant to Section 2 hereof, provide the owner with an executed contract from the Association or another purchaser acceptable to the Association, which contract must provide for the purchase of the Dwelling on the same terms as were set forth in the original proposed contract for sale, which contract must provide for a closing date within thirty (30) days from the date it is delivered to the Owner by the Association. If the conveyance or transfer was a gift, devise or inheritance, unless good cause exists, as defined below, the purchase price shall be determined by an appraiser selected by and at the expense of the substitute purchaser. If the Owner does not agree with the appraisal, the Owner may select and pay for another appraisal and the purchase price shall be the average of the two appraisals. If the Association does not respond to the application within thirty (30) days, as set forth above, or the substitute purchaser provided by the Association does not close within thirty (30) days, as set forth above, the original transaction shall be deemed approved and the Owner may proceed to closing and shall be entitled to a Certificate of Approval as described in Paragraph (A) of this Section 3.

- (i) If good cause exists for the Association to disapprove a proposed sale, conveyance or transfer by gift, devise or inheritance, the Association shall not be obligated to purchase or provide a substitute purchaser for the Dwelling. Good cause shall be defined to include the following:
 - (a) The applicant fails to qualify for membership in the Association, including, but not limited to, those applicants who fail to qualify for membership because the use, occupancy and/or ownership of the Dwelling and/or the Common Property by the applicant, as disclosed in the screening process, will violate the restrictions on use, occupancy or ownership set forth in this Declaration or the Rules and Regulations, or;
 - (b) The person seeking approval (which shall include all proposed occupants) has been convicted of a felony involving violence to persons at any time or has been convicted of any other felony within the ten (10) years preceding the date of application; or
 - (c) For transfers by sale, the person seeking approval intends to purchase the Dwelling without paying at least twenty percent (20%) of the purchase price, excluding closing costs, in cash or in some form that would result in a first mortgage secured

by the Dwelling with a loan to value ratio (based upon the bona fide sale price) in excess of eighty percent (80%); or

- (d) The applicant takes possession of the Dwelling prior to approval by the Association as provided for herein; or
- (e) The person seeking approval has a history of disruptive behavior or disregard for the rights and property of others as evidenced by his conduct in this community as a lessee, guest, owner or occupant of a Dwelling or based upon information provided from other sources; or
- (f) The applicant fails to comply with the requirements of Section 2 hereof.
- (g) No transfer of title will be approved if, at the time of the application or at any time prior to the time approval is to be granted, the Dwelling is delinquent in the payment of any financial obligation to the Association under this Declaration or under any of the governing documents or the applicable Statute, or if the Dwelling is in violation of any provision of this Declaration or the rules and regulations which remains uncured at the time the Association is required to make its election hereunder.

SECTION 4. LEASING. The Association must approve or disapprove a lease within thirty (30) days of receipt of the last of the information provided pursuant to Section 2 hereof. The Association may disapprove a lease on any reasonable grounds, including, but not limited to, any of the provisions defining good cause for transfers of title which might be applicable.

SECTION 5. MORTGAGE APPROVAL AND SUBORDINATION. All liens against a Dwelling, other than a first mortgage recorded before the Association's claim of lien, shall be subordinate and inferior to the Association's lien for Assessments, regardless of the date of recordation of the Association's claim of lien, except to the extent otherwise required by law. Any first mortgage liens or other liens which become first mortgage liens which involve an outstanding balance which exceeds eighty percent (80%) of the fair market value of the Dwelling at the time the mortgage is recorded shall be subordinate and inferior to the Association's claim of lien to the extent the mortgage balance exceeds eighty percent (80%) of the fair market value of the Dwelling at the time of recordation of the mortgage.

ARTICLE XII INSURANCE

SECTION 1. The Association shall obtain and maintain adequate insurance on the Common Areas and buildings containing the Dwelling, which coverage shall be consistent the scope of coverage required by the Association under the provisions of Section 718.111(11), Florida Statutes, as the same may be renumbered or amended from time to time. Any question or dispute regarding the insurance coverage for any improvement on a Lot pursuant to the aforementioned Statute shall be decided by the Board in its sole discretion. Such insurance shall afford protection against:

(A) Loss or damage by wind, fire and other hazards covered by a standard extended coverage endorsement; and

(B) Such other risks as, from time to time, shall be customarily covered with respect to buildings similar in construction, location and use as the buildings containing the Dwellings, including but not limited to, vandalism and malicious mischief.

SECTION 2. COVERAGE:

(A) Flood insurance, if required by Institutional Mortgagees, or if the Association so elects.

(B) Liability Insurance. Commercial general liability insurance coverage providing coverage and limits deemed appropriate. Such policies must provide that they may not be canceled or substantially modified by any party, without at least thirty (30) days' prior written notice to the Association.

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

(D) Fidelity Insurance. Fidelity insurance covering all directors, officers and employees of the Association and managing agents who handle Association funds, if any, subject to the terms of and the rights of the Members under the Act.

(E) Other Insurance. Such other insurance coverage as appropriate from time to time. All coverage obtained by Association shall cover all activities of Association and all properties maintained by Association, whether or not Association owns title thereto.

SECTION 3. OWNERS' REQUIREMENT TO PURCHASE INSURANCE. Each Owner may be required to obtain and maintain adequate insurance for the portions of his or her Lot and Dwelling not insured by the Association, such requirements and guidelines to be provided for in the Rules and Regulations.

SECTION 4. PREMIUMS. Premiums for insurance policies purchased by the Association shall be paid by the Association as an Operating expense. Premiums may be financed in such manner as the Board of Directors deems appropriate.

SECTION 5. SHARES OF PROCEEDS. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees, and shall provide that all proceeds covering property losses shall be paid to the Association. The duty of the Association shall be to receive such proceeds as are paid and to hold the proceeds in trust for the purposes elsewhere stated in this Declaration and for the benefit of the Owners and their mortgagees as follows:

(A) Common Property. Proceeds on account of damage to Common Property shall be property of the Association.

(B) Dwellings. Proceeds on account of damage to the Multiplex Buildings containing Dwellings shall be property of the Association and shall be held to be applied toward the cost of reconstruction of such damaged Multiplex Buildings in the manner determined by the Board of Directors, provided that:

- (i) When a Multiplex Building is to be restored, proceeds of insurance shall be held and applied toward the cost of repairing such damage;
- (ii) When a Multiplex Building is not to be restored, the proceeds shall be held in equal undivided shares for each Owner of a Dwelling in such Multiplex Building.
- (iii) Mortgagee. In the event a mortgage endorsement has been issued as to a Lot, the original shall be submitted to the Association before any disbursement of insurance proceeds, and the share of the Owner shall be held in trust for the Owner and any mortgagee; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Owner and mortgagee pursuant to the provisions of this Declaration.
- (iv) Assessment. In the event the insurance proceeds are insufficient to pay the entire cost of reconstruction of the portions of the Property insured by the Association, the Board of Directors shall levy a Special Assessment for such deficiency which shall be allocated as a Common Expense. In the event a reconstruction fund is comprised of both insurance proceeds and Special Assessment proceeds, the

insurance proceeds shall be deemed the first monies paid out, regardless of when the proceeds are received.

- (v) **Distribution of Proceeds.** Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial Owners in the following manner:
- (a) **Reconstruction or Repair.** If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be used to pay the cost of such repair or reconstruction, as provided in this Declaration and any proceeds remaining after defraying such costs shall be retained by the Association as common surplus.
 - (b) **Failure to Reconstruct or Repair.** If it is determined in the manner elsewhere provided in this Declaration that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Lot and may be enforced by such mortgagee.

SECTION 6. ASSOCIATION AS AGENT. The Association is hereby irrevocably appointed agent and attorney-in-fact for each Owner and for each owner of a mortgage or other lien upon a Lot and for each owner of any other interest in a Lot to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of such claims.

SECTION 7. NATURE OF RECONSTRUCTION. Any reconstruction of improvements hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform with the then current governmental regulation(s) unless approved as an alteration in the manner required under this Declaration.

SECTION 8. COST OF PAYMENT OF PREMIUMS. The costs of all insurance maintained by the Association hereunder, and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof are a Common Expense.

ARTICLE XIII RECONSTRUCTION OR REPAIR AFTER CASUALTY

SECTION 1. RECONSTRUCTION OR REPAIR AFTER CASUALTY. This provision shall apply to the reconstruction and repair of any portion of Forest Grove damaged by casualty.

(A) Determination to Reconstruct or Repair. If any part of Forest Grove shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

- (i) **Common Property.** If the damaged improvement is a Common Property, the damaged property shall be reconstructed or repaired.
- (ii) **Multiplex Buildings.** The Owners may vote not to reconstruct or repair the Multiplex Buildings containing Dwellings after casualty, if such Multiplex Building or Buildings, in the opinion of the Board suffered substantial damage and the decision not to reconstruct is approved by at least eighty percent (80%) of all Owners of Dwellings in each such Multiplex Building.
- (iii) **Estimate of Costs.** Immediately after a determination is made to rebuild or repair damage for which the Association is responsible for reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair. Such costs may include professional fees and premiums for such bonds as the Board desires.
- (v) **Responsibility for Reconstruction and Allocation of Expenses.** The Association is responsible for the reconstruction of any portion of Forest Grove for which the Association is required to provide casualty insurance and any expenses for such reconstruction not covered by insurance proceeds shall be assessed as a Common Expense.

SECTION 2. CASUALTY DESTRUCTION TO LOTS AND MULTIPLEX BUILDINGS CONTAINING DWELLINGS. In the event that any portion of a Dwelling or other improvement not required to be insured by the Association is damaged or destroyed by casualty loss or other loss, then within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged Dwelling or improvement and diligently continue such rebuilding or repairing until completion, or properly clear the damaged Dwelling or improvement and restore or repair the Dwelling as approved by the ARB. As to any such reconstruction of a destroyed Dwelling or improvements, the same shall only be replaced as approved by the ARB.

ARTICLE XIV ENFORCEMENT

Each Owner and every occupant, lessee, guest, agent, employee or contractor of an Owner and the Association shall be governed by and shall comply with the terms of this Declaration and all exhibits annexed hereto, and the Rules and Regulations adopted pursuant to those documents, as the same may be amended from time to time. The

Association (and Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided in the Act:

SECTION 1. NEGLIGENCE. A Member shall be liable for the expense of any maintenance, repair or replacement, whether to the Common Property, the Lot or the Member's personal property, or to the personal property of the Association or other Members, made necessary by his or her violation of any portion of this Declaration or by his or her negligence or intentional misconduct or by that of any member of his family or his or her guests, agents, employees or contractors, but only to the extent such expense is not met by the proceeds of insurance actually collected by the Association. Any such expense advanced by the Association, together with interest, costs and attorneys' fees, shall be secured by a lien against the Lot enforceable in the same manner as an assessment under Article VI hereof.

SECTION 2. COMPLIANCE. In the event a Member or occupant fails to comply with such Member's obligations under any provision of this Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable Rules and Regulations, or any other agreement, document or instrument affecting the Property in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to sue in a court of law for damages, and levy a special charge against the Member and the Lot for the sums necessary to do whatever work is required to put the Member or Lot in compliance. Such charge, together with interest, costs and attorneys' fees, shall be secured by a lien against the Lot, enforceable in the same manner as assessments levied under Article VI hereof.

SECTION 3. FINES. In the event a Member or anyone for whom a Member is responsible fails to comply with a provision of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable Rules and Regulations, or any other agreement, document or instrument affecting the Property in the manner required, the Association shall have the right to impose a fine against the Member and the Parcel. The amount of any fine shall be determined by the Board of Directors of the Association, but in any event shall not exceed any maximum amount permitted by the Act. The Association is hereby empowered to impose a lien for unpaid fines, subject to the limitations set forth in the Act. Furthermore, there shall be no limitation upon the amount of a total fine which may accumulate when a violation is continuing in nature and a fine is levied for each day of the continuing violation.

SECTION 4. SUSPENSION OF USE RIGHTS.

(A) In the event a Member or anyone for whom a Member is responsible fails to comply with a provision of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable Rules and Regulations, or any other agreement, document or instrument affecting the Property in the manner required where such non-compliance involves a violation other than failure to pay a monetary obligation due to the Association, the Association shall have the right to impose a suspension of the rights of the Member or the Member's family members, guests, lessees, invitees, or any other person occupying

the Lot from using any portion of the Common Property, except to the extent prohibited by the Act.

(B) In the event a Member or anyone for whom a Member is responsible fails to comply with a provision of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable Rules and Regulations, or any other agreement, document or instrument affecting the Property in the manner required where such non-compliance involves non-payment of any monetary obligation due and payable to the Association, the Association shall have the right to impose a suspension of the rights of the Member or the Member's family members, guests, lessees, invitees, or any other person occupying the Lot from using any portion of the Common Property, except to the extent prohibited by the Act, until such monetary obligation is paid in full.

SECTION 5. SUSPENSION OF VOTING RIGHTS. The Association may suspend the voting rights of the Members for non-payment of monetary obligations to the Association to the extent and in the manner provided in the Act.

SECTION 6. COSTS AND ATTORNEY'S FEES. In any proceeding arising because of an alleged failure of a Member or the Association to comply with the requirements of the Act, this Declaration, the By-Laws, the Articles of Incorporation of the Association, or the Rules and Regulations, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate attorneys' fees).

SECTION 7. NO WAIVER OF RIGHTS. The failure of the Association or any Member to enforce any covenant, restriction or other provision of the Act, this Declaration, the By-Laws, the Articles of Incorporation of the Association, or the Rules and Regulations, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

SECTION 8. ELECTION OF REMEDIES. All rights, remedies and privileges granted to the Association or a Member pursuant to any terms, provisions, covenants or conditions of the governing documents shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies or privileges as may be granted by the governing documents.

ARTICLE XV GENERAL PROVISIONS

SECTION 1. COMPLIANCE WITH APPLICABLE LAWS: In addition to these restrictions and covenants, the Members shall abide by the laws, ordinances, Rules and Regulations of the State of Florida and Palm Beach County.

SECTION 2. NOTICE: Any notice required to be delivered to any Member under the provisions of this Declaration or the Association's By-Laws shall be deemed to have

been properly delivered when mailed, postpaid, to the last known address of the person as it appears on the records of the Association at the time of such mailing or by electronic mail to such address as the Member may designate in writing.

SECTION 3. SEVERABILITY: Invalidation of any one of these covenants and restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

SECTION 4. AMENDMENT:

(A) This Declaration may be amended at a duly called Special Meeting of the membership by the affirmative vote of two-thirds (2/3) of participating Members, provided a quorum is established.

(B) Any duly adopted amendment to this Declaration shall run with and bind the Property for the same period and to the same extent as do the covenants and restrictions set forth herein.

SECTION 5. VENUE: The parties hereto agree that the venue for any action filed in appropriate courts regarding this Declaration shall be Palm Beach County, Florida.

SECTION 6. ASSIGNMENT: Any or all of the rights, powers and obligations, easements and estates reserved or given to the Association may be assigned by the Association and any such assignee shall agree to assume the rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by the appropriate instrument in writing, in which the assignee or transferee shall join for the purpose of evidencing its consent to such assignment and its acceptance of the rights and powers, duties and obligations herein contained; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to the Association. After such assignment, the Association shall be relieved and released of all responsibility hereunder.

SECTION 7. USAGE: Whenever used, the singular shall include the plural and the singular, and the use of any gender shall include all genders.