

Space Areas, the Landscape Buffer Areas, the Recreation Areas and any other parks, private roadways, pedestrian walkways, lakes, recreational facilities and street lights, if any, located on The Properties; but excluding any public utility installations and any other property of Developer not intended to be made Common Areas.

(h) "Community Development District" shall mean and refer to any Community Development District established for The Properties pursuant to Chapter 190, Florida Statutes.

(i) "Conservation Area" shall mean the tract of land identified as Tract F-1 on the Cypress Plat. The Conservation Area is subject to the Conservation Easement. The fact that the Conservation Area is not legally described shall not affect its character as provided herein.

(j) "Conservation Easement" means the Conservation Easement recorded in Official Records Book 13796, Page 497 of the Public Records of Palm Beach County, Florida.

(k) "Cypress Plat" means that certain Plat of Cypress Lakes Preserve P.U.D. recorded in Plat Book 96, Page 159 of the Public Records of Palm Beach County, Florida.

(l) "Developer" shall mean and refer to **WESTBROOKE HOMES, a Florida general partnership**, and its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with the sale to Builder(s) of portions of The Properties. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a nonexclusive basis.

(m) "Dwelling Unit" shall mean and refer to a single family residential structure constructed upon a Lot.

(n) "Institutional First Mortgagee" shall mean and refer to any Person owning a mortgage encumbering a Lot, which, in the ordinary course of business, makes, purchasers, guarantees, or insures mortgage loans. An Institutional First Mortgagee may include, but is not limited to, banks, savings and loan associations, insurance companies, union pension funds authorized to lend money by the State of Florida, an agency of the United States or any other governmental authority, a mortgage investment trust or a real estate investment trust. In addition, in the event that the Developer is the mortgagee under a purchase money mortgage arising upon the sale of a Lot, the Developer shall be deemed to be an Institutional First Mortgagee hereunder.

(o) "Landscape Buffer Areas" shall mean the tracts of land identified as "Landscape Buffer Easements" on the Cypress Plat. The Landscape Buffer Areas are reserved for landscape and buffer purposes. The fact that the Landscape Buffer Areas are not legally described shall not affect its character as provided herein.

(p) "Littoral Restrictive Covenant" shall mean the Littoral Zone Restrictive Covenants recorded in Official Records Book 14027, Page 737 of the Public Records of Palm Beach County, Florida.

(q) "Lot" shall mean and refer to any platted lot within The Properties or any other parcel of land included within The Properties which has been declared or is intended to be conveyed by Developer to an Owner and which contains or is intended to contain a Dwelling Unit. A Lot shall include the Dwelling Unit located thereon.

(r) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article 3 hereof.

(s) "Member's Permittee" shall mean and refer to any individual Owner and his or her family or, as applicable, the following person(s) and such person's family (to the extent that such person and such person's family reside together in the Dwelling Unit): (i) an officer, director, stockholder or employee of a corporate owner, (ii) a partner of a partnership owner, (iii) a beneficiary of an ownership in trust, or (iv) occupants named or described in a lease or sublease, but only if approved in accordance with this Declaration.

(t) "Open Space Areas" shall mean the tracts of land identified as Tracts B-1, B-2, C-1, C-2, C-3 and C-4 on the Cypress Plat. The Open Space Areas are subject to certain easements or restrictions which prohibit the existence of any buildings or construction of any kind as well as trees or shrubs on the Open Space Area without the prior written approval of the easement beneficiaries and all applicable Palm Beach County approvals and permits. The fact that the Open Space Areas are not legally described shall not affect its character as provided herein.

(u) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon The Properties, including the Developer.

(v) "Person" shall mean and refer to individual, corporation, governmental agency, business trust, estate, trust, partnership, association or any other entity.

(w) "Recreation Areas" shall mean the tracts of land identified as Tract E-1 and E-2 on the Cypress Plat. The Recreation Areas are reserved for recreational purposes. The fact that the Recreational Areas are not legally described shall not affect its character as provided herein.

(x) "Roadway Areas" shall mean the tracts of land identified as Tracts A-2 and A-3 on the Cypress Plat. The Roadway Areas are to be used for private street purposes and other purposes not inconsistent therewith and are subject to an overlying non-exclusive easement dedicated in perpetuity to the public for the installation, operation, maintenance, repair, expansion and replacement of utilities, both public and private, including, but not limited to, potable water pipelines, raw water pipelines, wastewater pipelines, reclaimed water pipelines, electric power lines, telecommunication lines, cable television lines, gas lines and related appurtenants. No buildings, structures, improvements, trees, walls or fences may be installed within the Roadway Areas without the prior written approval of the Palm Beach County Water Utilities Department, its successors or assigns. The fact that the Roadway Areas are not legally described shall not affect its character as provided herein.

(y) "The Properties" shall mean and refer to the property described on Exhibit A hereto, and any additions thereto, as are now or hereafter made subject to this Declaration, except those which are withdrawn from the provisions hereof in accordance with the procedures hereinafter set forth.

(z) "Turnover Date" is defined in Section 3.2 hereof.

(aa) "Water Management Areas" shall mean the tracts of land identified as Tracts D-1, D-2 and D-3 on the Cypress Plat. Portions of the Water Management Areas are subject to the Littoral Restrictive Covenant. The fact that the Water Management Areas are not legally described shall not affect its character as provided herein.

1.2 Interpretation. The provisions of this Declaration as well as those of the Articles, Bylaws and any Rules and Regulations of the Association shall be interpreted by the Board of Directors of the Association. Any such interpretation of the Board of Directors of the Association which is rendered in good faith shall be final, binding and conclusive if the Board of Directors of the Association receives a written opinion of legal counsel to the Association, or the counsel having drafted this Declaration or other applicable document, that the interpretation is not unreasonable, which opinion may be rendered before or after the interpretation is adopted by the Board of Directors of the Association. Notwithstanding any rule of law to the contrary, the provisions of this Declaration and the Articles, Bylaws and the Rules and Regulations of the Association shall be liberally construed so as to effectuate the purposes herein expressed with respect to the efficient operation of the Association and The Properties, the preservation of the values of the Lots and Dwelling Units and the protection of Developer's and Builders' rights, benefits and privileges herein contemplated.

ARTICLE 2.

PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERETO; AND WITHDRAWALS THEREFROM

2.1 Legal Description. The Properties initially held, transferred, sold, conveyed and occupied subject to this Declaration are located in Palm Beach County, Florida, and more particularly described on Exhibit A hereto.

2.2 Additions. Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any Person, for the purpose of adding to The Properties any property owned by Developer or its affiliates or any easement or interest therein, and the Association shall be required to accept such conveyance.

2.3 Withdrawals. Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any Person, for the purpose of removing certain portions of The Properties then owned by Developer or its affiliates or the Association from the provisions of this Declaration to the extent included originally in error or as a result of any changes whatsoever in the plans for The Properties desired to be effected by Developer; provided, however, that such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for The Properties. Any withdrawal of land not owned by Developer shall require the written consent or joinder of the then-owner(s) of and any Institutional First Mortgagee(s) holding mortgages on such Lots.

ARTICLE 3.

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.1 Membership. Every Person who is a record Owner of a fee interest in any Lot shall be a Member of the Association. Notwithstanding anything else to the contrary set forth in this Article, any such Person who holds such interest merely as security for the performance of an obligation shall not be a Member of the Association. The Articles and Bylaws of the Association are attached as **Exhibit B** and **Exhibit C** hereto, respectively.

3.2 Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Section 3.1 with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Section 3.1.

Class B. The Class B Member shall be the Developer. The Class B member shall be entitled to one (1) vote, plus two (2) votes for each vote entitled to be cast in the aggregate at any time and from time to time on behalf of the Class A Members. The Class B membership shall cease and terminate (as applicable, the "Turnover Date"): (a) the earlier of (i) ninety (90) days after ninety percent (90%) of the Lots have been sold and conveyed by the Developer or Builders (provided, that sales from Developer to a Builder shall not be used for determining the threshold of sales described above) or (ii) December 31, 2008, or (b) sooner at the election of Developer (whereupon the Class A Members shall be obligated to elect the Association's Board of Directors and assume control of the Association).

3.3 General Matters. When reference is made herein, or in the Articles, Bylaws, Rules and Regulations of the Association, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members represented at a duly constituted meeting of Members (i.e., one for which proper notice has been given and at which a quorum exists).

3.4 Powers of the Association. The Association shall have all of the powers provided by applicable law as well as all powers indicated or incidental to those contained in the Articles and Bylaws of the Association. In addition, the Association shall have the power to enforce this Declaration and shall have all of the powers granted to it by this Declaration. Unless the approval or action of the Members is required by this Declaration, the Articles or Bylaws of the Association or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors of the Association, without the consent of the Members.

ARTICLE 4.

COMMON AREAS; LANDSCAPE BUFFER AREAS AND OPEN SPACE AREAS; CERTAIN EASEMENTS; COMMUNITY DEVELOPMENT DISTRICT; SOUTH FLORIDA WATER MANAGEMENT DISTRICT; AND RECREATIONAL AREAS; CONTROLLED ACCESS FACILITY; CABLE TELEVISION AND SECURITY MONITORING

4.1 Owner's Right to Use the Common Areas. Subject to the terms and provisions of this Declaration, any easement, restriction, reservation or limitation of record and any Rules and Regulations of the Association, the Owners of all Lots that may from time to time constitute part of The Properties shall have the non-exclusive right to use, in common with one another, the Common Areas for all proper and reasonable purposes and in such a manner so as to not hinder or encroach upon the lawful rights of other Owners to use same.

4.2 Developer's Right to Use the Common Areas. The Developer and the Developer's agents, employees, tenants, guests and invitees shall also have the right to use the Common Areas and such other portions of The Properties (other than improved portions of Lots previously conveyed by Developer) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any Common Areas or any improvements or facilities located on or serving Lots owned by Developer. Developer and its affiliates or designees may also elect to use, without charge, the Common Areas for sales, displays and signs or for any other purpose during the period of construction and sale of any portion thereof or of other portions of adjacent or nearby communities. Without limiting the generality of the foregoing, Developer and its affiliates shall have the specific right to maintain upon any portion of The Properties (other than Lots previously conveyed by Developer) sales, administrative, construction or other offices and appropriate exclusive and non-exclusive easements of access and use are expressly reserved unto Developer and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, Developer shall not be liable for delays in such completion to the extent resulting from the need to complete any of the above-referenced activities prior to such completion.

4.3 Maintenance of Common Areas. The Common Areas (or appropriate portions thereof) shall, upon the later of completion of the improvements thereon or the date when the last Lot within The Properties has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of Developer), be conveyed by quit claim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Notwithstanding the foregoing, beginning from the date this Declaration is recorded, the Association shall maintain, manage in good condition, operate, insure and replace (as often as necessary) the Common Areas, including, without limitation, any improvements and/or structures (except public utilities) situated thereon, if any, all such work to be done as ordered by the Board of Directors of the Association. In addition, the Association shall be responsible for any maintenance, monitoring or other obligations relating to any permit or approval issued to Developer in connection with the Common Areas. Without limiting the generality of the foregoing, the Association shall assume all of Developer's and its affiliates' responsibilities to Palm Beach County and its governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Common Areas and shall indemnify and hold Developer and its affiliates harmless with respect thereto in the event of the Association's failure to fulfill those responsibilities. It is intended that any and all real estate taxes and assessments assessed against the Common Areas shall be (or have been, because the purchase prices of the Lots have already taken into account their proportionate shares of the values of the Common Area), proportionally assessed against and payable as part of the taxes of the applicable Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of same, including taxes on any improvements and any personal property located thereon. No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Areas or abandonment of the right to use the Common Areas.

4.4 Landscape Buffer and Open Space Tracts. The Developer may establish a physical boundary between the Landscape Buffer and Open Space Tracts and the other portions of the Common Properties or affected Lot(s), if any, but in the absence of such physical boundary, the Developer shall have the absolute right to determine the actual boundary and such determination shall be binding on all affected Owners. No Owner shall alter the Landscape Buffer or any Open Space Tract or make any use of same contrary to its purposes. The Association shall be responsible for maintaining the Landscape Buffer and Open Space Tracts to the same standard as that applicable to all other portions of The Properties and an easement over the Landscape Buffer and Open Space Tracts is hereby granted and declared for such purposes. All work pursuant to this

Section and all expenses incurred or allocated to the Association in connection herewith shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith.

4.5 Easement Appurtenant. The Owners of all Lots that may from time to time constitute part of The Properties shall have a non-exclusive permanent and perpetual easement over and upon the Common Areas for the intended use and enjoyment thereof in common with all other Owners. Such easement shall be appurtenant to and shall pass with the title to each Lot, but shall not be deemed to grant or convey any ownership interest in the Common Areas subject thereto. Without limiting the generality of the foregoing, such rights are subject to the terms and provisions of this Declaration, including, without limitation, the following:

(a) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas, including, without limitation, any recreational facilities located thereon, in compliance with the provisions of this Declaration and with the restrictions on the Cypress Plat or any other recorded instrument.

(b) Subject to the provisions of applicable law, the right of the Association to suspend a Member's (and such Member's Permittee(s)) right to use the Common Areas, including, without limitation, any recreational facilities located thereon, for any period during which any assessment against the Lot owned thereby remains unpaid for more than thirty (30) days; and for a period not to exceed sixty (60) days for any infraction of this Declaration or the Association's Rules and Regulations.

(c) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities, if any, situated on the Common Areas.

(d) The right of the Association to adopt at any time and from time to time and enforce Rules and Regulations governing the use of the Common Areas, including, without limitation, any recreational facilities located thereon, together with the right to fine Members as hereinafter provided. Any Rule and/or Regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(e) The right to the use and enjoyment of the Common Areas, including, without limitation, any recreational facilities located thereon, thereon shall extend to the Members' Permittees, subject to regulation from time to time by the Association as set forth in its lawfully adopted and published Rules and Regulations of the Association.

(f) The right of Developer to permit such Persons as Developer shall designate to use the Common Areas, including, without limitation, any recreational facilities located thereon.

(g) The right of Developer and the Association to have, grant, use, modify, relocate and/or terminate general (blanket) and specific easements over, under and through the Common Areas.

(h) The right of the Association, by a 2/3rds affirmative vote of the entire membership, to dedicate or convey portions of the Common Areas to any other association having similar functions, or any public or quasi-public agency, Community Development District or similar entity under such terms as the Association deems appropriate and to create or contract with the other association, Community Development District and special taxing district for lighting, roads, recreational or other services, monitoring, or communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds to or other conveyance of their Lots, shall be deemed to have consented, no consent of any other party, except Developer, being necessary).

WITH RESPECT TO THE USE OF THE COMMON AREAS, COMMON FACILITIES AND THE PROPERTIES GENERALLY, ALL PERSONS ARE REFERRED TO SECTIONS 14.10, 14.11 AND 14.12, AND ARTICLE 18 HEREOF, WHICH SHALL AT ALL TIMES APPLY THERETO.

4.6 Service and Utility Easements. The Developer has, or may hereafter, grant to appropriate governmental or quasi-governmental authorities, water and sewer companies, electric utility companies, telephone companies, cable

companies, ambulance or emergency companies, mail carriers and/or their respective successors and assigns easements over, upon and under the Common Areas and the unimproved portions of the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of services and utilities, including, without limitation, the Drainage Easements, Lake Maintenance Access Easements, Lake Maintenance Easements, Limited Access Easements, Utility Easements, P.B.C. Utility Easements and Lift Station Easements reflected on the Cypress Plat (and reconfirmed, reconveyed and rededicated hereby) for the construction, installation, maintenance, repair, expansion and replacement of water lines, utility facilities, sanitary sewers, storm drains, and electric and telephone lines, cables and conduits. An Owner shall do nothing on his Lot which interferes with or impairs the governmental or quasi-governmental authority, service provider or utility company using these easements.

4.7 Public Easements. Fire, police, health and sanitation, park maintenance and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

4.8 Drainage and Lake Maintenance Easements. Easements are hereby declared and exist and are granted in favor of the Association, the South Florida Water Management District and any other governmental authority having jurisdiction for purposes of constructing and maintaining all lakes, detention ponds, retention ponds and drainage areas and facilities, together with any necessary appurtenances incidental of and necessary therefor. Such drainage and lake maintenance easements are reflected on the Cypress Plat and/or approved Site Plan.

4.9 Encroachments Easement. There shall exist an exclusive easement for any unintentional and non-negligent encroachment (together with the maintenance, repair and replacement thereof): (i) of any portion of the Common Area upon any Lot, (ii) of any Dwelling Unit upon any neighboring Lot or upon the Common Area and/or (iii) that hereafter occurs as a result of (A) settling or shifting of any improvements, (B) any addition, alteration or repair to the Common Area made by or with the consent of the Association, (C) any repair or restoration of any improvements (or any portion thereof) or any Dwelling Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any improvement, Dwelling Unit and/or Common Area.

4.10 Zero Lot Maintenance Easement. When any lot ("Burdened Lot") abuts another Lot ("Benefitted Lot") on which the exterior wall of a Dwelling Unit has been or can be constructed against or immediately contiguous to the interior property (perimeter) line shared by the Benefitted Lot and the Burdened Lot, then the Owner of the Benefitted Lot shall have an easement over the Burdened Lot, which easement shall be three (3') feet in width contiguous to the interior property line running the length of the portion of the Benefitted Lot abutting the Burdened Lot for the following purposes:

- (a) For installation, maintenance, repair, replacement and the provision of utility services, equipment and fixtures to serve the Benefitted Lot, including, but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage, television antenna and cable television facilities, and electronic security.
- (b) Of support in and to all structural members, footings and foundations of the Dwelling Unit or other improvements which are necessary for support of the Dwelling Unit or other improvements on the Benefitted Lot. Nothing in this Declaration shall be construed to require the Owner of the Burdened Lot to erect, or permit the erection of, additional columns, bearing walls or other structures on its Lot for the support of the Benefitted Lot.
- (c) For entry upon, and for ingress and egress through the Burdened Lot, with persons, materials and equipment, to the extent reasonably necessary in the performance of the maintenance, repair, replacement of the Dwelling Unit or any improvements on the Benefitted Lot.
- (d) For overhanging troughs, roofs, gutters and down-spouts and the discharge therefrom of rainwater and the subsequent flow thereof over the easement area and the Common Facilities.

An Owner of a Burdened Lot shall have the right to install a gated fence across the easement described above, and the Owner of the Benefitted Lot shall have right of access through such gate for the purposes described above. Except as set forth herein, an Owner of a Burdened Lot shall do nothing on his Lot which interferes with or impairs the use of this easement.

4.11 Additional Easements. Developer (so long as it owns any Lots) and the Association, on its behalf and on behalf of all Owners, each shall have the right to: (i) grant and declare additional easements over, upon, under and/or across

the Common Area in favor of the Owners and residents of The Properties and their guests and invitees, or in favor of any other Person, public or quasi-public authority or utility company or (ii) modify, relocate, abandon or terminate existing easements within or outside of The Properties in favor of the Association or the Owners and residents of The Properties and their guests and invitees or in favor of any Person, public or quasi-public authority, or utility company, as the Developer or the Association may deem desirable for the proper operation and maintenance of The Properties, or any portion thereof, or for the health, safety or welfare of the Owners, or for any other reason or purpose. So long as such additional easements, or the modification, relocation or abandonment of existing easements will not unreasonably and adversely interfere with the use of Lots for dwelling purposes, no joinder of any Owner or any mortgagee of any Lot shall be required or, if same would unreasonably and adversely interfere with the use of any Lots for dwelling purposes, only the joinder of the Owners and Institutional First Mortgagees of the Lots so affected shall be required. To the extent required, all Owners hereby irrevocably appoint Developer and/or the Association as their attorney-in-fact for the foregoing purposes. Developer shall have an easement to construct walls, fences, signage and entrance features on any Common Areas or unimproved portions of Lots contiguous to the boundaries of or entrances to The Properties.

4.12 Community Development District. To the extent that any portion of The Properties is subject to, or governed by, a Community Development District, or to the extent that the Developer or the Members of the Association elect to have any portion of The Properties owned, maintained or governed by a Community Development District as provided herein, the Community Development District shall have the authority to plan, establish, acquire, equip, operate and maintain such portions and assess all Owners therefor.

4.13 Surface Water Management System. The Association hereby accepts responsibility for the operation and maintenance of the Water Management Areas and surface water management ("SWM") system described in that certain South Florida Water Management ("SFWMD") Permit No. 50-04283-P (the "SFWMD Permit"). Copies of the permit and any future SFWMD permit actions shall be maintained by the Registered Agent for the Association for the benefit of the Association. The SWM system is owned by the Association and is declared to be part of the "Common Area" described in Article I, Section 1.1 of the Declaration. The Association shall maintain (and the cost thereof shall be a common expense of the Association) the Water Management Areas and the entire surface water management and drainage system for The Properties, including, without limitation, all lakes, canals, retention areas, pipes, pumps, catch basins and related appurtenances. Such maintenance shall be performed in accordance with the requirements of the SFWMD Permit and an easement for such maintenance is hereby created over and across the Common Areas and any unimproved portions of the Lots necessary in connection therewith. No amendment to the Declaration which would affect the SWM system or Water Management Areas shall be effective unless the Association has received a written determination from the SFWMD that such amendment does not necessitate a modification of the SFWMD Permit, or such a modification has been issued. If wetland mitigation, maintenance or monitoring is required by the SFWMD Permit or otherwise, the Association shall be required to carry out such obligations successfully, including meeting all SFWMD Permit conditions associated with wetland mitigation, maintenance and monitoring and maintaining any financial assurances required in connection therewith. The Association shall take action against any Owner as necessary to enforce the conditions of the SFWMD Permit. SFWMD shall have the right to take enforcement action, including a civil action for an injunction and penalties against the Association to compel it to correct any outstanding problems with the SWM system facilities, the Water Management Areas or in mitigation under the responsibility of control of the Association.

4.14 Recreational Areas. It is acknowledged that Developer plans to construct various recreational facilities in the Recreational Areas or otherwise within The Properties, including, without limitation, a swimming pool, pool cabana and child play area; provided, however, the kind, value and nature of such recreational facilities shall be determined by Developer in its sole discretion, and Developer reserves the right, but not the obligation, to increase or complete, modify, add to and/or expand the recreational facilities, without the consent of the Owners or the Association. Notwithstanding the foregoing, the Developer shall have no obligation to complete the recreational facilities or to convey same to the Association until all of the Dwelling Units have been built and conveyed to Owners. Prior to the Turnover Date (and thereafter with the consent of the Association, which will not be unreasonably withheld), Developer shall have the right to use any recreational facility, or any portion thereof, for office or sales purposes, as may be desired by Developer, in its sole discretion.

4.15 Controlled Access Facility. It is acknowledged that Developer may, but will not be required to, construct a controlled access facility at the entrance to The Properties, which may include a building and/or guard gate intended to be staffed, or which may contain an access entry system not intended to be staffed. If provided, all costs associated with any controlled access facility will be borne by the Owners as a common expense of the Association. Prior to the Turnover Date, Developer shall have the right to determine, in its sole discretion, whether, and during what hours, if any, such controlled

access facility, if any, will be staffed. Developer and any Builder, their contractors and suppliers and their respective agents and employees, as well as any prospective purchasers of new Dwelling Units, shall be given free and unimpeded access through any such controlled access facility, subject only to such controls and restrictions as are agreed to in writing by Developer. Such right of access shall continue after Developer no longer owns any portion of The Properties so long as Developer or any affiliate of Developer is using any model homes within The Properties for sales purposes (including sales in other developments) or as necessary to allow Developer to perform any repairs or complete any improvements required by applicable law. Any governmental authority, any public utility company and/or any other entity providing utility services, cable television, home monitoring, telecommunications or similar services to Owners pursuant to an agreement with the Association shall be given free and unimpeded access through any such controlled access facility, subject only to such controls and restrictions as are agreed to in writing by them. In any event, neither Developer nor the Association shall have any liability to any one for any injury, damage or loss of any kind or nature whatsoever due to the fact that the controlled access facility is not staffed or due to the failure of any person at the facility or any mechanical or electrical entry system to prevent or detect a theft, burglary or any unauthorized use of The Properties.

4.16 Cable Television; Security Monitoring and Other Services. Developer (prior to the Turnover Date) and/or the Association may, but are not required to do so, enter into an agreement with (i) a cable television company to provide cable television and other services to the Dwelling Units, (ii) a security monitoring company and/or (iii) any other entity to provide internet, communication, entertainment, telephone, electricity or other utilities, pest control, pool maintenance or other services for all of the Dwelling Units, on such terms and conditions as the Developer (prior to the Turnover Date) or the Association may deem appropriate, in their sole discretion. Any such company or provider may be an affiliate or subsidiary of Developer so long as the terms of such agreement are reasonable compared to other companies providing similar services in the vicinity of The Properties. Any such agreement may provide that all of the Dwelling Units will be required to pay for the basic services provided by the cable television company, security monitoring company or other company or provider, and may require the Association to collect the service charges from the Owners (as a common expense of the Association) and remit same to such companies. Any such agreement may also permit the companies to offer optional services which may be separately billed to and paid by the Owners purchasing same. If Developer enters into any such agreement (prior to the Turnover Date), Developer shall assign its duties and obligations to the Association and the Association shall assume and accept same. In addition to the rights set forth above, the Developer (prior to the Turnover Date) or the Association shall have the right to approve one or more service providers for any type of service to be provided to the Owners in order to limit the number of different service providers providing any such service.

ARTICLE 5.

COVENANT FOR MAINTENANCE ASSESSMENTS

5.1 Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, Developer (and each party joining in any supplemental declaration), for all Lots now or hereafter located within The Properties, hereby covenants and agrees, and each Owner of any Lot by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments and charges for the operation of, and for payment of expenses allocated or assessed to or through the Association, of and for the maintenance, management, operation and insurance of the Common Areas, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 5.5 hereof, special assessments as provided in Section 5.4 hereof, and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association, all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Lots for fines, expenses incurred against particular Lots and/or Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge, and shall be a continuing lien, upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the Person who is the Owner of such Lot at the time when the assessment fell due and all subsequent Owners until paid, except as provided in Section 5.8 below. Reference herein to assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

5.2 Rates of Assessments. The Board of Directors shall budget and adopt assessments for the Association's general expenses. However, assessments against each Owner and his Lot shall be equal to the percentage calculated by

dividing 100 by the total number of Lots included within The Properties. For example, if the total number of Lots is equal to 107, each Owner's share of the common expenses of the Association will be .935%.

5.3 Purpose of Assessments. The regular assessments levied by the Association shall be used for the purposes expressed in Section 5.1 above and for such other purposes as the Association shall have within its powers and from time to time elect to undertake.

5.4 Special Assessments. In addition to the regular and capital improvement assessments which are or may be levied hereunder, the Association (through the Board of Directors) shall have the right to levy special assessments against an Owner(s) to the exclusion of other Owners for (i) the repair or replacement of damage to any portion of the Common Areas (including, without limitation, improvements and landscaping thereon) caused by the misuse, negligence or other action or inaction of an Owner or his Member's Permittee(s) or (ii) the costs of work performed by the Association in accordance with Article 6 of this Declaration (together with any surcharges collectible thereunder), or against all Owners to cover actual deficits or anticipated deficits in operating and maintenance accounts resulting from inadequate periodic assessments. Any such special assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure procedures and late charges and interest. Any special assessment levied hereunder shall be due within the time specified by the Board of Directors in the action imposing such assessment or may be of an ongoing nature, as provided in Article 6 hereof.

5.5 Capital Improvements. Funds which, in the aggregate, exceed the lesser of \$50,000.00 or 10% of the total amount of the current operating budget of the Association in any one fiscal year which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance, including repairs and replacement per Article 11 hereof) relating to the Common Areas and which have not previously been collected as reserves or are not otherwise available to the Association (other than by borrowing) shall be levied by the Association as assessments only upon approval of a majority of the Board of Directors of the Association and upon approval by two-thirds (2/3) favorable vote of the Members of the Association. The costs of any of the aforesaid work which are less than the above-specified threshold amount shall be collected as general or special assessments upon approval of a majority of the Association's Board of Directors.

5.6 Date of Commencement of Annual Assessments; Due Dates. The annual regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31. The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors of the Association (absent which determination they shall be payable monthly). The assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, at any appropriate time during the year), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year. The due date of any special assessment or capital improvement assessment shall be fixed in the Board resolution authorizing such assessment.

5.7 Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against the Lots subject to the Association's jurisdiction for each assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto twenty (20) days prior to payment of the first installment thereof, except as to special assessments. In the event no such notice of the assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein. The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of Developer) for management services, including the administration of budgets and assessments as herein provided. The Association shall have all other powers provided in its Articles and Bylaws.

5.8 Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association. If the assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such assessments (or installments) shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 5.9 to the contrary, the personal obligation of Owner to pay such assessment shall pass to his successors in title and recourse may be had against either or both. If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges; provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid) or the next twelve (12) months' worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest from the dates when due until paid at the highest lawful rate (or, if there is no highest lawful rate, 18% per annum) and the Association may bring an action at law against the Owner(s) personally obligated to pay the same, may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the assessments and late charges are unpaid, may foreclose the lien against the Lot on which the assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively, and attorneys' fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such assessments, late charges and interest secured by the lien, and in the event a judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred together with the costs of the action, through all applicable appellate levels. In the case of an acceleration of the next twelve (12) months' of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Lot shall be levied by the Association for such purpose. In addition to the rights of collection of assessments stated in this Section, any and all Persons acquiring title to or an interest in a Lot as to which the assessment is delinquent, including without limitation Persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Areas until such time as all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid; provided, however, that the provisions of this sentence shall not be applicable to the Institutional First Mortgagees and purchasers contemplated by Section 5.9 below. All assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

5.9 Subordination of the Lien. The lien of the assessments provided for in this Article shall be subordinate to real property tax liens and the lien of any mortgage held by an Institutional First Mortgagee; provided, however, that any such mortgage when in possession or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such lender acquiring a deed in lieu of foreclosure, and all Persons claiming by, through or under such purchaser or lender, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

5.10 Developer's Assessments. Notwithstanding anything herein to the contrary, Developer shall have the option, in its sole discretion, to (i) pay assessments on the Lots owned by it, or (ii) not pay assessments on any Lots and in lieu thereof fund any resulting deficit in the Association's operating expenses not produced by assessments receivable from Owners other than Developer and any other income receivable by the Association (and if there is more than one Developer, proportionately based on the number of Lots owned by each Developer). The deficit to be paid under option (ii), above, shall be the difference between (a) actual operating expenses of the Association (exclusive of capital improvement costs and reserves) and (b) the sum of all monies receivable by the Association (including, without limitation, assessments, interest, late charges, fines and incidental income) and any surplus carried forward from the preceding year(s). Developer may from time to time change the option under which Developer is making payments to the Association by written notice to such effect to the Association. When all Lots within The Properties are sold and conveyed to purchasers, neither Developer nor its affiliates shall have further liability of any kind to the Association for the payment of assessments, deficits or contributions.

5.11 Association Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special and capital assessments, shall be held by the Association and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

ARTICLE 6.

MAINTENANCE OF DWELLING UNITS, LOTS AND COMMON AREAS

6.1 Exterior of Dwelling Units. The Owner of a Lot shall maintain all exterior surfaces and roofs, facias and soffits of the Dwelling Unit and other improvements or structures located on the Lot (including driveway and sidewalk surfaces) in a neat, orderly and attractive manner. The aforesaid maintenance shall include maintaining screens (including screen enclosures), windows and doors (including the wood and hardware of garage doors and sliding glass doors). The minimum (though not sole) standard for the foregoing shall be consistency with the general appearance of The Properties as initially constructed and otherwise improved (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness). The Owner shall clean, repaint or restain, as appropriate, the exterior portions of each Dwelling Unit (with the same colors as initially used on the Dwelling Unit), including exterior surfaces of garage doors, as often as is necessary to comply with the foregoing standards.

6.2 Lots. Each Owner shall maintain and irrigate the trees, shrubbery, grass and other landscaping on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of The Properties as a whole, including, without limitation, maintaining low volume sprinklers. The minimum (though not sole) standard for the foregoing shall be the general appearance of The Properties as initially landscaped (such standard being subject to being raised by virtue of the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained).

6.3 Right of Entry. In addition to such other remedies as may be available to Developer under this Declaration and/or applicable law, in the event that an Owner fails to maintain a Dwelling Unit or Lot as required under this Section 6, the Association shall have the right to enter upon the Lot in question and perform such duties; provided, however, that such entry shall be during reasonable hours and, if to remedy an obligation which was to be performed by the Owner, only after five (5) days' prior written notice. The Owner having failed to perform its maintenance duties shall be liable to the Association for the costs of performing such remedial work and shall pay an additional administrative charge as established from time to time by the Board, all such sums being payable upon demand and to be secured by the lien provided for in Article 5 hereof.

6.4 Additional Maintenance. Each Owner shall maintain, in accordance with the standards set forth in this Article, whether or not located on his Lot, (i) the street-side boundary line(s) of the Owner's Lot (i.e., where applicable, the edge of the common sidewalk closest to the Dwelling Unit) and the edge of the street's pavement and (ii) the projections of the side boundary lines of the Lot to such pavement's edge. Without limiting the generality of the foregoing, each Owner shall be responsible for the maintenance of any portion of his driveway which extends beyond the Lot as well as any sidewalk, grass or other plant material located immediately adjacent thereto; provided, however, that if the Board of Directors of the Association so elects, the Association may perform all or any portion of such maintenance obligations, on an ongoing or isolated basis, for purposes such as achieving an economy of scale or providing for uniform appearance.

ARTICLE 7.

CERTAIN USE RESTRICTIONS

7.1 Applicability. The provisions of this Article 7 shall be applicable to all of The Properties but shall not be applicable to Developer, Builder, or any of their respective designees or to any Lots or other property owned by Developer, Builder, or their respective designees.

7.2 Land Use and Building Type. No Lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes, or as a related garage, if applicable. Garages may be used only for the parking of automobiles and traditional storage purposes, and in no event shall any garage be used or converted into living space. No building shall be erected, altered, placed or permitted to remain on any Lot other than the Dwelling Unit. Temporary uses by Developer and its affiliates for model homes, sales displays, parking lots, sales offices and other

offices, or any one or combination of such uses, shall be permitted until the permanent cessation of such uses takes place. No changes may be made in buildings erected by Developer, Builder or their respective affiliates (except if such changes are made by Developer) without the consent of the Architectural Control Board.

7.3 Opening Building Walls; Removing Fences. Without limiting the generality of Sections 7.10 and 7.14 below, no Owner shall make or permit any opening to be made in any building wall (except as such opening is initially installed) or masonry wall or fence. Further, no such building wall or masonry wall or fence, if any, shall be demolished or removed without the prior written consent of Developer (so long as it owns any portion of The Properties) and the Architectural Control Board. Developer shall have the right, but not be obligated, to assign all or any portion of its rights and privileges under this Section to a Builder or to the Association.

7.4 Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the occupants of other Lots. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors of the Association, which shall render a decision in writing, which decision shall be dispositive of such dispute or question. ALL PERSONS ARE REFERRED TO SECTION 14.10 HEREOF WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

7.5 Temporary Structures; Gas Tanks; Other Outdoor Equipment. Except as may be approved or used by Developer during construction and/or sales periods, no structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within The Properties at any time or used at any time as a residence, either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Dwelling Unit or on or about any ancillary building, except for gas tanks which are used for swimming pool heaters which are screened from view, one (1) gas cylinder (not to exceed 20 lbs. capacity) connected to a barbecue grill and/or such other tank as is designed and used for household purposes and approved by the Architectural Control Board. Any outdoor equipment such as, but not limited to, pool pumps and water softening devices shall be completely screened from the view of anyone not standing on the Lot by the use of landscaping or other means (in any event, as approved by the Architectural Control Board); provided, however, that the use of such screening shall not obviate the requirement that the installation of any such equipment nevertheless be approved by the Architectural Control Board.

7.6 Signs. No sign of any kind shall be displayed to the public view on any Lot except for the following:

- (a) The exclusive sales agent for the Developer may place one professional sign advertising the Lot for sale.
- (b) One sign of not more than one (1) square foot which may be used to indicate the name of the resident(s) of the Dwelling Unit.
- (c) One (1) "for sale" or "for rent" sign may be displayed under the following conditions:
 - (i) The sign may identify the property, the owner or agent and the address and telephone number of the owner or agent relative to the premises upon which the sign is located.
 - (ii) The face surface of such sign shall not be larger than eight (8) inches in width and eight (8) inches in height, including, any rider thereto.
 - (iii) The sign shall be constructed of metal, plastic, wood or pressed wood and shall be fastened to a supporting member constructed of angle iron not exceeding one (1) inch by one (1) inch or a two (2) inch by two (2) inch wooden post, provided that said supporting member shall be all white or all black in color and have no letters or numbers upon it.
 - (iv) The supporting member shall be driven into the ground to provide that the top of the face of such sign shall not be more than four (4) feet above the finished grade of the ground.
 - (v) All such signs shall be lettered professionally, but such signs shall not be required to be submitted to the Association for approval.

(vi) Such sign shall be so erected or placed that its center line is parallel or perpendicular to the front property line.

(vii) Such sign shall not be erected or placed closer than five (5) feet from the front of the property line (as opposed to the adjacent street, if different).

(viii) Nothing contained herein shall be construed as prohibiting the same wording from being on both the front and the back of the sign.

(ix) Where such sign is suspended from an arm of the support, such arm shall not exceed a length of sixteen (16) inches.

(x) All such signs shall be erected on a temporary basis.

(xi) Such sign shall be kept in good repair and shall not be illuminated or constructed of a reflective material and shall not contain any streamers, movable items or like devices.

(xii) Any such sign shall be removed within five (5) days from the date a binding agreement is entered into for the sale, lease or rental of the property or immediately upon the removal of the property from the market, whichever occurs first.

(xiii) No sign shall be placed on any Common Areas.

7.7 Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in The Properties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions. ALL PERSONS ARE REFERRED TO SECTION 14.10 WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

7.8 Pets, Livestock and Poultry. No animals, reptiles, wildlife, livestock or poultry of any kind shall be raised, bred or kept on any Lot or any portion of The Properties for any commercial purpose. Further, no animals or pets of any kind shall be permitted to become a nuisance or annoyance to any neighbor by reason of barking or otherwise. No dogs or other pets shall be permitted to have excretions on any Common Areas, except areas designated by the Association, if any, and Owners shall be responsible to clean-up any such excretions. ALL PETS SHALL BE KEPT ON A LEASH WHEN NOT IN THE APPLICABLE DWELLING UNIT OR FULLY ENCLOSED IN REAR YARD. Pets shall also be subject to all applicable rules and regulations.

7.9 Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted; provided that the Association shall not be liable in any manner to any Person, including Owners and Members Permittees, for any damages, injuries or deaths arising from any violation of this Section.

7.10 Architectural Control.

(a) No building or other structure or improvement of any nature (including, but not limited to, pools, screen enclosures, patios or patio extensions, hedges, other landscaping, exterior paint or finish, awnings, antennae or satellite or microwave dishes, shutters, hurricane protection, basketball hoops, swing sets or play equipment, decorative plaques or accessories, birdhouses, other pet houses, swales, asphaltting, sidewalk/driveway surfaces or treatments or other improvements or changes of any kind, even if not permanently affixed to the land or to other improvements) shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Architectural Control Board have been approved, if at all, in writing by the Architectural Control Board and all necessary governmental permits are obtained. Fences, walls and similar improvements shall be governed by Section 14 below. Conversions of garages to living space or other uses are hereby prohibited, even though same are not readily apparent from the exteriors of applicable Dwelling Units. Each building, wall, fence (if any) or other structure or improvement of any nature, together with landscaping, shall be erected, placed or altered upon a Lot only in accordance with the plans and specifications and plot plan so approved by the Architectural Control Board and applicable governmental permits and requirements. Refusal of approval of plans, specifications and location plans, or any of them, may be based on any grounds, including purely aesthetic ones, which in the sole and uncontrolled discretion of said Architectural Control Board are deemed sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of screen enclosures, doors, windows, patios or patio extensions, hedges, landscaping, exterior paint or finish, awnings, shutters, hurricane protection, basketball hoops, swing sets or play equipment, decorative plaques or accessories, birdhouses, other pet houses, swales, asphaltting, and/or sidewalk/driveway surfaces or treatments shall be deemed an alteration requiring approval.

(b) The Architectural Control Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this Section. A majority of the Architectural Control Board may take any action the Architectural Control Board is empowered to take, may designate a representative to act for the Architectural Control Board and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Control Board, the remaining members shall have full authority to designate a successor. The members of the Architectural Control Board shall not be entitled to any compensation for services performed pursuant to this covenant, unless engaged by the Association in a professional capacity.

(c) The Architectural Control Board shall act on submissions to it within forty-five (45) days after receipt of the same (and all further documentation required by it) or else the request shall be deemed approved. No request for approval shall be valid or require any action unless and until all assessments on the applicable Lot (and any interest and late charges thereon) have been paid in full.

(d) In the event that any new improvement or landscaping is added to a Lot, or any existing improvement on a Lot is altered, in violation of this Section, the Association shall have the right (and an easement and license) to enter upon the applicable Lot and remove or otherwise remedy the applicable violation after giving the Owner of the Lot at least ten (10) days' prior written notice of, and opportunity to cure, the violation in question. The costs of such remedial work and a surcharge of a minimum of \$25.00 (but in no event more than thirty-five percent (35%) of the aforesaid costs) shall be a special assessment against the Lot, which assessment shall be payable upon demand and secured by the lien for assessments provided for in this Declaration.

(e) The approval of any proposed improvements or alterations by the Architectural Control Board shall not constitute a warranty or approval as to, and neither the Association nor any member or representative of the Architectural Control Board or the Board of Directors of the Association shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations. The Architectural Control Board may, but shall not be required to, require that any request for its approval be accompanied by the

written consent of the Owners of the Lots [up to five (5)] adjoining or nearby the Lot proposed to be altered or further improved as described in the request.

(f) Without limiting the generality of Section 7.1 hereof, the foregoing provisions shall not be applicable to Developer or its affiliates or designees or to Builders (to the extent provided in Article 10 hereof).

(g) Nothing in this Declaration shall be interpreted as an exemption from compliance with Palm Beach County regulations.

7.11 Commercial Vehicles, Trucks, Trailers, Campers and Boats. No trucks (other than those of a type, if any, expressly permitted by the Association) or commercial vehicles, or campers, mobile homes, motorhomes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or horse vans, shall be permitted to be parked or to be stored at any place on The Properties, nor in dedicated areas, except in (i) enclosed garages or (ii) spaces for some or all of the above specifically designated by Developer or the Association, if any. For purposes of this Section, "commercial vehicles" shall mean those which are not designed and used for customary, personal/family purposes. The absence of commercial-type lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle. The prohibitions on parking contained in this Section shall not apply to temporary parking of trucks and commercial vehicles, such as for construction use or providing pick-up and delivery and other commercial services, nor to passenger-type vans with windows for personal use which are in acceptable condition in the sole opinion of the Board of Directors of the Association (which favorable opinion may be changed at any time), nor to any vehicles of Developer or its affiliates. **All Owners and other occupants of Dwelling Units are advised to consult with the Association prior to purchasing, or bringing onto The Properties, any type of vehicle other than a passenger car inasmuch as such other type of vehicle may not be permitted to be kept within The Properties.** Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner thereof to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the Person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

7.12 Parking on Common Areas and Lots/Garages. No vehicles of any type shall be parked on any portion of the Common Areas (including sidewalks, streets and roadways) except to the extent, if at all, a portion(s) of the Common Areas is specifically designated for such purposes. All Owners and Members Permittees shall use at least one (1) space in their respective garages for the parking of a vehicle. In the event that such a party keeps a boat on a trailer (or some other vehicle or trailer) in the party's garage, the other space shall still be used for vehicular parking. Garage doors shall be kept closed at all times except when in actual use and during reasonably limited periods when the garage is being cleaned or other activities are being conducted therefrom which reasonably require the doors to be left open. No parking shall be permitted on any portion of a Lot except its driveway and garage.

7.13 Garbage and Trash Disposal. No garbage, refuse, trash or rubbish (including materials for recycling) shall be placed outside of a Dwelling Unit except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company or association for disposal or collection of waste shall be followed. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within 12 hours of collection. In the event that an Owner or occupant of a Lot keeps containers for recyclable materials thereon, same shall be deemed to be refuse containers for the purposes of this Section. All such trash and recyclable materials will be picked up curbside as determined by applicable governmental authority or other company or association responsible therefore.

7.14 Fences, Walls and Hedges. No fence, wall or other structure shall be erected on any Lot, and no hedge shall be planted, except as originally installed by Developer or its affiliates or approved by the Architectural Control Board. In considering any request for the approval of a fence or wall or a hedge or other landscaping, the Architectural Control Board shall give due consideration to the possibility of same obstructing the view from any adjoining Lot or Common Area and may condition its approval on the hedge or other landscaping being kept to a specific height. All Persons are advised that many fences and walls may be prohibited altogether or, if approved, may be subject to stringent standards and requirements.

7.15 No Drying. No clothing, laundry or wash shall be aired or dried on any portion of The Properties except on a portion of a Lot which is completely screened from the view of all Persons other than those on the Lot itself.

7.16 Lakefront Property. As to all portions of The Properties which have a boundary contiguous to any lake or other body of water, the following additional restrictions and requirements shall be applicable:

(a) No boathouse, dock, wharf or other structure of any kind shall be erected, placed, altered or maintained on the shores of the lake unless erected by Developer or its affiliates.

(b) No boat, boat trailer or vehicular parking or use of lake slope or shore areas shall be permitted. No motorized boats of any type shall be used on any lake which is part of the Common Areas.

(c) No solid or liquid waste, litter or other materials may be discharged into/onto or thrown into/onto any lake or other body of water or the banks thereof.

(d) Each applicable Owner shall maintain his Lot to the line, adjoining the Lot, of the water in the adjacent lake or other water body, as such line may change from time to time by virtue of changes in water levels.

(e) No landscaping (other than that initially installed or approved by Developer), fences, structures or other improvements (regardless of whether or not same are permanently attached to the land or to other improvements) shall be placed within any lake maintenance or similar easements around lakes or other bodies of water.

WITH RESPECT TO WATER LEVELS AND QUALITY AND OTHER WATERBODY-RELATED MATTERS, ALL PERSONS ARE REFERRED TO SECTION 14.11 HEREOF.

7.17 Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Control Board for energy conservation purposes.

7.18 Exterior Antennas. No exterior antennas, satellite dishes or similar equipment shall be permitted on any Lot or improvement thereon, except that Developer and its affiliates shall have the right to install and maintain a master cable and television system and the Association may permit antennae and/or dishes which are wholly contained within the Dwelling Unit.

7.19 Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the Architectural Control Board and with such Architectural Control Board's approval. Such standards shall be reasonably calculated to maintain the aesthetic integrity of The Properties without making the cost of the aforesaid devices prohibitively expensive.

7.20 Driveway and Sidewalk Surfaces. No Owner shall install on a Lot, and the Architectural Control Board shall not approve, any sidewalk or driveway which has a surface material and/or color which is different from the materials and colors originally used or approved by the Developer. Further, no Owner shall change any existing sidewalk or driveway in a manner inconsistent with this Section.

7.21 Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained upon the exterior portion of any Lot without the prior approval of the Architectural Control Board.

7.22 Security; Access Control. All Owners shall be responsible for complying with, and ensuring that their Members' Permittees and invitees comply with, any and all security restrictions and procedures adopted by the Association for controlling access to and upon The Properties or any portion thereof as well as Common Area roadways and other portions of the Common Areas, as such procedures and restrictions are adopted and amended from time to time. All

Owners and other occupants of Dwelling Units are advised that any such security restrictions and procedures adopted by the Association for access control are in addition to, and not intended to supplant or replace, local law enforcement. Any such restrictions and procedures shall be adopted, if at all, only for the purpose of monitoring access to The Properties and observing activities therein which are readily apparent.

7.23 Conservation Area. THE CONSERVATION AREA IS HEREBY DEDICATED AS COMMON AREA. THE MAINTENANCE OF THE CONSERVATION AREA SHALL BE THE PERPETUAL RESPONSIBILITY OF THE ASSOCIATION AND THE CONSERVATION AREA MAY IN NO WAY BE ALTERED FROM ITS NATURAL OR PERMITTED STATE. ACTIVITIES PROHIBITED WITHIN THE CONSERVATION AREA INCLUDE, BUT ARE NOT LIMITED TO, CONSTRUCTION OR PLACING SOIL OR OTHER SUBSTANCES SUCH AS TRASH THEREIN OR THEREON, REMOVAL OR DESTRUCTION OF TREES, SHRUBS OR OTHER VEGETATION EXISTING THEREIN OR THEREON (WITH THE EXCEPTION OF EXOTIC/NUISANCE VEGETATION REMOVAL), EXCAVATION, DREDGING OR REMOVAL OF SOIL MATERIAL, DIKING OR FENCING, OR ANY ACTIVITIES DETRIMENTAL TO DRAINAGE, FLOOD CONTROL, WATER CONSERVATION, EROSION CONTROL OR FISH AND WILDLIFE HABITAT CONSERVATION OR PROTECTION. The Conservation Area shall be subject to the use restrictions set forth in Section 4.13 above. No Owner shall alter the Conservation Area or make any use of same contrary to its purposes. The Association shall be responsible for maintaining the Conservation Area to the same standard as that applicable to all other portions of The Properties and an easement over such Conservation Area is hereby granted and declared for such purposes. All work pursuant to this Section and all expenses incurred or allocated to the Association in connection herewith shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith.

7.24 Variances. The Board of Directors of the Association shall have the right and power to grant variances from the provisions of this Article 7 and from the Association's rules and regulations for good cause shown, as determined in the reasonable discretion of the Board of Directors of the Association. No variance granted as aforesaid shall alter, waive or impair the operation or effect of the provisions of this Article 7 in any instance in which such variance is not granted.

7.25 Additional Rules and Regulations. The Board of Directors of the Association may adopt additional rules and regulations of the Association which are incorporated herein by this reference and which, as may the foregoing, may be modified, in whole or in part, at any time by the Board of Directors of the Association without the necessity of recording an amendment hereto or thereto in the public records.

ARTICLE 8.

RESALE, LEASE AND OCCUPANCY RESTRICTIONS

8.1 Estoppel Certificate; Documents. No Owner, other than Developer, may sell or convey his interest in any Lot unless all sums due the Association are paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefor. The Owner requesting the certificate may be required by the Association to pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate. Owners shall be obligated to deliver the documents originally received from Developer, containing this and other declarations and documents, to any grantee of such Owner.

8.2 Leases. No portion of a Lot or Dwelling Unit (other than an entire Lot and Dwelling Unit) may be rented. All leases shall be in writing and shall provide (or be automatically deemed to provide) that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by tenant in observing any of the provisions of this Declaration, the Articles and Bylaws and any applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing The Properties or administered by the Association. The leasing of Lots and Dwelling Units shall also be subject to the prior written approval of the Association, which approval shall not be unreasonably withheld and which shall be deemed given if the Association does not deny approval within fifteen (15) days of its receipt of a request for approval together with a copy of the proposed lease and all supporting information reasonably requested by the Association. Owners wishing to lease their Lots and Dwelling Units may, if the Board of Directors of the Association so elects, be required to place in escrow with the Association a sum of up to \$500.00 which may be used by the Association to repair any damage to the Common Areas or other portions of The Properties resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Association shall not be required to pay or remit any interest on any such escrowed funds. The Owner will be jointly and severally liable with the tenant to the

Association for any amount in excess of such sum 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. Any balance remaining in the escrow account, less an administrative charge not to exceed \$50.00 and exclusive of any interest retained by the Association, shall be returned to the Owner within ninety (90) days after the tenant vacates the Dwelling Unit.

8.3 Use Restrictions. No Lot or Dwelling Unit shall be occupied by any Person other than the Owner(s) thereof or the applicable Members' Permittees and in no event for other than as a residence. Under no circumstances may more than one family reside in a Dwelling Unit at one time. In no event shall occupancy (except for temporary occupancy by guests) exceed two (2) persons per bedroom and one (1) person per den (as defined by the Association for the purpose of excluding from such definition living rooms, dining rooms, family rooms, country kitchens and the like). The Board of Directors of the Association shall have the power to authorize occupancy of a Dwelling Unit by Persons in addition to those set forth above. The provisions of this Section shall not be applicable to Lots or Dwelling Units used by Developer or a Builder for model homes, sales offices, management services or otherwise. As used herein, "family" or words of similar import shall be deemed to include a spouse, children, parents, brothers, sisters, grandchildren and other Persons permanently cohabiting the Dwelling Unit as or together with the Owner or permitted occupant thereof. As used herein, "guest" or words of similar import shall include only those Persons who have a principal residence other than the Lot or Dwelling Unit. Unless otherwise determined by the Board of Directors of the Association, a Person occupying a Dwelling Unit for more than one (1) month shall not be deemed a guest but, rather, shall be deemed a lessee for purposes of this Declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provisions of this Declaration which apply to leases and lessees. The purpose of this paragraph is to prohibit the circumvention of the provisions and intent of this Article and the Board of Directors of the Association shall enforce, and the Owners comply with, same with due regard for such purpose.

ARTICLE 9.

ENFORCEMENT

9.1 Compliance by Owners. Every Owner and Member's Permittee shall comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

9.2 Enforcement. Failure of an Owner or his Member's Permittee to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the rights of use of Common Areas (except for legal access) of defaulting Owners. The Association shall also have the right to suspend the voting rights of a Member for the nonpayment of regular annual assessments that are delinquent in excess of 90 days. The offending Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

9.3 Fines. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner or his Member's Permittees to comply with any covenant, restriction, rule or regulation, subject to the following limitations:

(a) Amounts: The Board of Directors of the Association may impose fines not to exceed \$100 per violation, which fines may be levied on the basis of each day of a continuing violation, except that no such fine shall exceed \$1,000 in the aggregate. However, the limitations set forth herein do not apply to the failure of any Member to pay assessments or other charges when due.

(b) Payment of Fines: Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.

(c) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments, and the lien securing same, as set forth herein.

(d) Application of Proceeds: All monies received from fines shall be allocated as directed by the Board of Directors of the Association.

(e) Non-exclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

(f) Procedure. Notwithstanding the foregoing, a fine or suspension may not be imposed without notice of at least fourteen (14) days to the Member sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) Members appointed by the Board of Directors of the Association who are not officers, directors or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.

ARTICLE 10.

PROVISOS AS TO BUILDERS

10.1 Preamble. In light of the benefits accruing to the Developer, Owners and the Association by virtue of the orderly and efficient development of The Properties not only by Developer but also by independent Builders, this Article has been adopted to further such benefits as well as to cause this Declaration to accurately and reasonably reflect the operations and needs of Builders.

10.2 Voting and Assessments. All Builders shall be Class A Members of the Association and shall have all rights, benefits, duties and obligations pertaining to such class of membership. A Builder shall have one (1) vote for each Lot owned by it and shall pay the same rate of assessment on each such Lot as would any other Class A Member/Owner; provided, however, that (i) in the event that a Builder owns a portion of The Properties which has not been platted or otherwise subdivided into Lots, such property shall, for purposes of this Declaration, be deemed to contain such number of Lots as is provided in the Supplemental Declaration subjecting the Builder's portion of The Properties to this Declaration (absent which the property shall be deemed to contain the number of Lots permitted to be located thereon by applicable land use ordinances or approvals) and (ii) Builder shall only be obligated for the payment of assessments on the Lots owned thereby for which improvements have been constructed thereon and received a certificate of occupancy, said assessment obligation to commence as to such improved Lot on the first day of the month following the issuance of the applicable certificate of occupancy.

10.3 Exemption from Architectural Control. For purposes of the exemption of Developer and its designees as set forth in Section 7.10 hereof, a Builder shall be deemed a designee of Developer and therefore exempt from architectural review/approval requirements if, but only if, the Builder is subject to deed or contractual restrictions imposed by the Developer which govern matters such as plan approval and construction activities. The foregoing exemption shall not, however, apply once the Builder has completed a Dwelling Unit on a Lot and has received Developer's final approval thereof, the purpose hereof being to require the Architectural Control Board's approval of any alterations of such construction once same are completed.

10.4 Use Restrictions. In addition to the architectural control exemptions set forth in the immediately preceding Section, no Builder shall be deemed to be in violation of any of the other restrictions or requirements of Article 7 of this Declaration by virtue of any activities which are normally and customarily associated with the construction of Dwelling Units (or the development of land therefor) of the number, nature and type being constructed/developed by the Builder, including, without limitation, the construction and operation of a temporary sales office and/or model homes and the erection of signage. Notwithstanding the foregoing, no Builder may make any installations which, once installed, would constitute a violation of Article 7 of this Declaration. By way of example only, the privileges granted to Builders hereunder may not extend to permit the installation of prohibited gas tanks, obstructions of visibility at intersections, window-mounted air conditioning units, exterior antennas or artificial vegetation. **Further, notwithstanding the foregoing, all Builders shall be subject to the sign restrictions set forth in Section 7.6 of this Declaration (except for the required posting of building permits and similar documents) and to the provisions of Article 8 hereof.**

ARTICLE 11.

DAMAGE OR DESTRUCTION

11.1 Damage or Destruction to Common Areas. Damage to or destruction of all or any portion of the Common Areas shall be addressed in the following manner, notwithstanding any provision in this Declaration to the contrary:

(a) In the event of damage to or destruction of the Common Areas, if the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such portions of the Common Areas to be repaired and reconstructed substantially as they previously existed.

(b) If the insurance proceeds are within Five Hundred Thousand Dollars (\$500,000.00) or less of being sufficient to effect total restoration of the Common Areas, then the Association shall cause such portions of the Common Areas to be repaired and reconstructed substantially as they previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a special (and not capital improvement) assessment against each of the Owners in equal shares in accordance with the provisions of Article 5 of this Declaration.

(c) If the insurance proceeds are insufficient by more than Five Hundred Thousand Dollars (\$500,000.00) to effect total restoration of the Common Areas, then by written consent or vote of a majority of each class of the Members, they shall determine, subject to Article 13 hereof, whether (1) to rebuild and restore the Common Areas in substantially the same manner as they existed prior to damage and to raise the necessary funds over the insurance proceeds by levying capital improvement assessments against all Members, (2) to rebuild and restore in a way which is less expensive than replacing the Common Areas in substantially the same manner as they existed prior to being damaged, or (3) subject to the approval of the Board, to not rebuild and to retain the available insurance proceeds.

(d) Each Member shall be liable to the Association for any damage to the Common Areas not fully covered by collected insurance which may be sustained by reason of the negligence or willful misconduct of such Member or his Member's Permittees. Notwithstanding the foregoing, the Association reserves the right to charge such Member an assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Member. In the case of joint ownership of a Lot, the liability of such Member shall be joint and several. The cost of correcting such damage shall be an assessment against the Member and may be collected as provided herein for the collection of assessments.

11.2 Damage or Destruction to Dwelling Units. If the damage or destruction shall be limited only to Dwelling Unit(s) for which the responsibility of maintenance and repair is that of the affected Owner(s), then such Owner(s) shall be responsible for, and shall be obligated to, repair or reconstruct such Dwelling Unit(s). In no event shall the Developer or the Association be responsible for, or obligated to repair, reconstruct or replace, the Dwelling Units or any property of the Owners owned, maintained, stored or held therein, thereon or in connection therewith.

ARTICLE 12.

INSURANCE

12.1 Common Areas. The Association shall keep all improvements, facilities and fixtures located within the Common Areas insured against loss or damage by fire or other casualty for the full insurable replacement value thereof (with reasonable deductibles and normal exclusions for land, foundations, excavation costs and similar matters), and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance for and on behalf of itself and all Members. The insurance coverage with respect to the Common Areas shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Subject to the provisions of Article 11 of this Declaration, insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the assessments made by the Association. To the extent obtainable at reasonable rates, the insurance policy(ies) maintained by the Association shall

contain provisions, or be accompanied by endorsements, for: (i) agreed amount and inflation guard, (ii) demolition costs, (iii) contingent liability from operation of building laws and (iv) increased costs of construction. All insurance policies shall contain standard mortgagee clauses, if applicable. The Association shall also maintain flood insurance on the insurable improvements on the Common Areas in an amount equal to the lesser of 100% of the replacement costs of all insurable improvements (if any) within the Common Areas or the maximum amount of coverage available under the National Flood Insurance Program, in either case if the insured improvements are located within an "A" flood zone.

12.2 Waiver of Subrogation. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board of Directors of the Association, the Members, Developer and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said Persons, but only to the extent that insurance proceeds are received in compensation for such loss.

12.3 Liability and Other Insurance. The Association shall have the power to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, with coverage of at least \$1,000,000.00 (if available at reasonable rates and upon reasonable terms) for any single occurrence, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a cross-liability endorsement insuring each Member against liability to each other Member and to the Association and vice versa and coverage for legal liability resulting from lawsuits related to employment contracts shall also be maintained. The Association may also obtain Worker's Compensation insurance and other liability insurance as it may deem desirable, insuring the Association and its Board of Directors and officers from liability in connection with the Common Areas, the premiums for which shall be Common Expenses and included in the assessments made against the Members. The Association may also obtain such other insurance as the Board of Directors of the Association deems appropriate. All insurance policies shall be reviewed at least annually by the Board of Directors of the Association and the limits increased in its discretion. The Board of Directors of the Association may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board of Directors of the Association or any management company engaged by the Association against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board of Directors of the Association or any committee thereof. At a minimum, however, there shall be blanket fidelity bonding of anyone (compensated or not) who handles or is responsible for funds held or administered by the Association, with the Association to be an obligee thereunder. Such bonding shall cover the maximum funds to be in the hands of the Association or management company during the time the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three (3) months of regular assessments, plus all reserve funds.

12.4 "Blanket" Insurance. The requirements of this Article may be met by way of the Association being an insured party under any coverage carried by the Developer or under coverage obtained by the Association as long as such coverage is in accordance with the amounts and other standards stated in this Article.

12.5 Lots and Dwelling Units. The Owners shall be responsible for maintaining insurance on their respective Lots, Dwelling Units and any property of the Owners owned, maintained, stored or held therein, thereon or in connection therewith. In no event shall the Developer or the Association be responsible for, or obligated to obtain or maintain, insurance for the Lots, Dwelling Units or any other property of the Owners owned, maintained, stored or held therein, thereon or in connection therewith.

ARTICLE 13

INSTITUTIONAL FIRST MORTGAGEE PROTECTION

13.1 Institutional First Mortgagee Protection. The following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) The Association shall be required to make available to all Owners and Institutional First Mortgagees for inspection, upon request, during normal business hours or under other reasonable circumstances, current copies of this Declaration (with all amendments) and the Articles, Bylaws and rules and regulations and the books and records of the Association. Furthermore, such Persons shall be entitled, upon written request, to (i) receive a copy of the Association's financial statement for the immediately preceding fiscal year, (ii) receive notices

of and attend the Association meetings, (iii) receive notice from the Association of an alleged default by an Owner in the performance of such Owner's obligations under this Declaration, the Articles or the Bylaws of the Association, which default is not cured within thirty (30) days after the Association learns of such default, and (iv) receive notice of any substantial damage or loss to the Common Areas.

(b) Any Institutional First Mortgagee shall have, if requested in writing, the right to timely written notice of (i) any condemnation or casualty loss affecting a material portion of the Common Areas, (ii) a sixty (60) day delinquency in the payment of the Assessments on its mortgaged Lot(s), (iii) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, and (iv) any proposed action which requires the consent of a specified number of Institutional First Mortgagees.

(c) Unless at least 66-2/3% of the Institutional First Mortgagees (based upon one vote for each mortgage owned by them), and the Members holding at least two-thirds (2/3rds) of the votes entitled to be cast by them, have given their prior written approval, neither the Association nor the Owners shall:

(i) by act or omission seek to sell or transfer the Common Areas and any improvements thereon which are owned by the Association, provided, however, that the granting of easements for utilities or for other such purposes consistent with the intended use of such property by the Association or the Developer or the transfer of the Common Areas to another similar association of the Owners in accordance with the Articles or dedication of such property to the public shall not be deemed a transfer within the meaning of this clause;

(ii) change the basic methods of determining the obligations, assessments, dues or other charges which may be levied against a Lot, except as provided herein with respect to future Lots;

(iii) by act or omission, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of The Properties;

(iv) fail to maintain fire and extended insurance on insurable portions of the Common Areas as provided herein; or

(v) use hazard insurance proceeds for losses to any Common Areas for other than the repair, replacement or reconstruction of the improvements.

ARTICLE 14.

GENERAL PROVISIONS

14.1 Duration. The covenants and restrictions of this Declaration shall run with and bind The Properties, and shall inure to the benefit of and be enforceable by the Association, the Architectural Control Board, Developer (at all times) and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75% of all the Lots subject hereto and by 100% of the Institutional First Mortgagees holding mortgages thereon has been recorded, agreeing to revoke said covenants and restrictions; provided, however, that no such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any signatures being obtained.

14.2 Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the Person who appears as Member or Owner on the records of the Association at the time of such mailing.

14.3 Enforcement. Enforcement of these covenants and restrictions shall be accomplished by any proceeding at law or in equity against any Person or Persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants; and failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

14.4 Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

14.5 Effective Date. This Declaration shall become effective upon its recordation in the Palm Beach County Public Records.

14.6 Conflict. This Declaration shall take precedence over conflicting provisions in the Articles and Bylaws and said Articles shall take precedence over the Bylaws.

14.7 Standards for Consent, Approval and Other Actions. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association or the Architectural Control Board, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed by the Developer or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate.

14.8 Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners designate hereby the Developer and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

14.9 Notices and Disclaimers. Developer, the Association, or their successors or assigns may enter into contracts with a service provider for the provision of security services. DEVELOPER, THE ASSOCIATION, AND THEIR SERVICE PROVIDER, DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH SECURITY SYSTEM OR SERVICES, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS, FIRES OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME, AND EVERY OWNER OR OCCUPANT OF PROPERTY SERVICED BY ANY SUCH SECURITY SYSTEMS, ACKNOWLEDGES THAT DEVELOPER, THE ASSOCIATION OR ANY SUCH SERVICE PROVIDER OR ANY OF THEIR RESPECTIVE SUCCESSORS OR ASSIGNS, ARE NOT INSURERS OF THE OWNER OR OCCUPANT'S PROPERTY OR OF THE PROPERTY OF OTHERS LOCATED ON THE PROPERTIES AND WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES OR DEATHS RESULTING FROM SUCH OCCURRENCES. It is extremely difficult and impractical to determine the actual damages, if any, which may proximately result from a failure on the part of a security service provider to perform any of its obligations with respect to security services and, therefore, every Owner or occupant of The Properties receiving security services agrees that Developer, the Association or their respective successors or assigns assumes no liability for loss or damage to property or for personal injury or death to persons due to any reason, including, without limitation, failure in transmission of an alarm, interruption of security service or failure to respond to an alarm because of (a) any failure of the Owner's security system, (b) any defective or damaged equipment, device, line or circuit, (c) negligence, active or otherwise, of the security service provider or its officers, agents or employees, or (d) fire, flood, riot, war, act of God or other similar causes which are beyond the control of the security service provider. Every owner or occupant of property obtaining security services further agrees for himself, his grantees, tenants, guests, invitees, licensees, and family members that if any loss or damage should result from a failure of performance or operation, or from defective performance or operation, or from improper installation, monitoring or servicing of the system, or from negligence, active or otherwise, of the security service provider or its officers, agents, or employees, the liability, if any, of Developer, the Association, and their respective successors or assigns, for loss, damage, injury or death sustained shall be limited to a sum not exceeding Two Hundred Fifty and No/100 (\$250.00) U.S. Dollars, which limitation shall apply irrespective of the cause or origin of the loss or damage and notwithstanding that the

loss or damage results directly or indirectly from negligent performance, active or otherwise, or non-performance by an officer, agent or employee of Developer, the Association or their respective successors or assigns. Further, in no event will Developer, the Association, or any of their respective successors or assigns, be liable for consequential damages, wrongful death, personal injury or commercial loss. In recognition of the fact that interruptions in security and other services will occur from time to time, no Person described above shall in any manner be liable, and no user of any system shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in services, regardless of whether or not same is caused by reasons within the control of the then-provider(s) of such services.

14.10 Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTIES ARE HEREBY PLACED ON NOTICE THAT DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES WILL BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE PROPERTIES. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, OR BY USING ANY PORTION OF THE PROPERTIES, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE PROPERTIES WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (iii) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, (iv) ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTIES HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (v) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DEVELOPER TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE PROPERTIES.

14.11 Notices and Disclaimers as to Water Bodies. NEITHER DEVELOPER, THE ASSOCIATION NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE PROPERTIES, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN, OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK. ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTIES LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF SUCH PROPERTY, TO HAVE AGREED TO RELEASE THE LISTED PARTIES FROM ALL CLAIMS FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES. ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY LIVE, HABITATE OR ENTER INTO WATER BODIES WITHIN OR NEARBY THE PROPERTIES AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT OR INSURE AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

14.12 Covenants Running With The Land. Anything to the contrary herein notwithstanding and without limiting the generality (and subject to the limitations) of Section 14.1 hereof, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors and assigns) that these covenants and restrictions shall run with The Properties and with title to The Properties. Without limiting the generality of Section 14.4 hereof, if any provision or application of this Declaration would prevent this Declaration from running with The Properties as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application and then be enforced in a manner which will allow these covenants and restrictions to so run with The Properties; but if such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and

considered null and void in order that the paramount goal of the parties (that these covenants and restrictions run with The Properties as aforesaid) be achieved.

14.13 **Dissolution.** Any Owner may petition the Circuit Court of Palm Beach County for the appointment of a receiver to manage the affairs of the Association in the event of dissolution of the Association.

ARTICLE 15.

AMENDMENTS TO DECLARATION

Section 15.1 **Prior to Turnover Date.** Prior to the Turnover Date, Developer shall have the right to amend this Declaration as it deems appropriate, without the joinder or consent of any Person whatsoever so long as the same does not materially and adversely affect the rights of Owners or Institutional First Mortgagees. By way of example, and not limitation, Developer may amend this Declaration to create easements for telecommunication systems, utilities, drainage, ingress and egress and roof overhangs over any portion of The Properties (other than the improved portion of a Lot previously conveyed to an Owner), to add or delete from The Properties comprising the Common Areas, to change, or add to, the Rules and Regulations, to modify the maintenance standards set forth herein and to correct any defect, error or omission in or of this Declaration. Developer's right to amend under this provision is to be construed as broadly as possible. In the event that Association shall desire to amend this Declaration prior to the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment.

Section 15.2 **After Turnover Date.** After the Turnover Date, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed, deleted or added to at any time and from time to time upon the execution and recordation of an instrument executed by the Association; provided, that so long as the Developer or its affiliates is the Owner of any Lot affected by this Declaration, the Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, adversely affects its interest.

ARTICLE 16.

**COVENANTS AGAINST PARTITION AND
SEPARATE TRANSFER OF MEMBERSHIP RIGHTS**

Recognizing that the full use and enjoyment of any Lot is dependent upon the right to the use and enjoyment of the Common Areas and the improvements made thereto, and that it is in the interest of all of the Owners that the right to the use and enjoyment of the Common Areas be retained by the Owners of Lots, it is therefore declared that the right to the use and enjoyment of any Owner in the Common Areas shall remain undivided, and such Owners shall have no right at law or equity to seek partition or severance of such right to the use and enjoyment of the Common Areas. In addition, there shall exist no right to transfer the right to the use and enjoyment of the Common Areas in any manner other than as an appurtenance to and in the same transaction with, a transfer of title to a Lot. Any conveyance or transfer of a Lot shall include the right to use and enjoyment of the Common Areas appurtenant to such Lot subject to reasonable rules and regulations promulgated by the Association for such use and enjoyment, whether or not such rights shall have been described or referred to in the deed by which said Lot is conveyed.

ARTICLE 17.

DISCLAIMER OF LIABILITY OF ASSOCIATION

NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES, BYLAWS, ANY RULES OR REGULATIONS OF THE ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS"), THE ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTIES INCLUDING, WITHOUT LIMITATION, OWNERS, MEMBERS PERMITTEES AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROPERTIES HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROPERTIES AND THE VALUE THEREOF;

(b) THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, PALM BEACH COUNTY AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES; AND

(c) ANY PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS LOT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE PROPERTIES (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) SHALL BE BOUND BY THIS ARTICLE AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS ARTICLE.

AS USED IN THIS ARTICLE, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF DEVELOPER, WHICH SHALL BE FULLY PROTECTED HEREBY.

Certified copy

LEGAL DESCRIPTION

THE PROPERTY DESCRIBED IN CYPRESS LAKES PRESERVE P.U.D. RECORDED IN PLAT BOOK 96, PAGE 159 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA (WHICH IS A REPLAT OF TRACTS 11, 14 AND 15, AND A PORTION OF TRACTS 12, 13 AND 16, IN BLOCK 35, "PALM BEACH FARMS COMPANY PLAT NO. 3" (PLAT BOOK 2, PAGE 45 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY), IN SECTION 36, TOWNSHIP 44 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY) AND IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 44 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA; THENCE NORTH 01°27'15" EAST, ALONG THE EAST LINE OF SAID SECTION 36, A DISTANCE OF 2574.92 FEET; THENCE SOUTH 89°00'51" WEST, ALONG THE SOUTH LINE OF SAID TRACT 16 AND THE EASTERLY PROLONGATION THEREOF, A DISTANCE OF 222.21 FEET TO THE WEST RIGHT-OF-WAY LINE OF U.S. 441 (STATE ROAD NO. 7) AS RECORDED IN OFFICIAL RECORDS BOOK 10507, PAGE 1304 OF SAID PUBLIC RECORDS AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 89°00'51" WEST, ALONG THE SOUTH LINE OF SAID TRACTS 16, 15, 14 AND 13, A DISTANCE OF 2368.69 FEET; THENCE NORTH 02°03'40" EAST, ALONG A LINE 80 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE EAST ONE-HALF OF SAID SECTION 36, A DISTANCE OF 1296.36 FEET; THENCE NORTH 89°01'23" EAST, ALONG A LINE 25 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID TRACTS 12 AND 11, A DISTANCE OF 1342.75 FEET; THENCE SOUTH 01°07'08" EAST, ALONG THE EAST LINE OF SAID TRACT 11, A DISTANCE OF 634.59 FEET; THENCE NORTH 89°00'55" EAST, ALONG THE NORTH LINE OF SAID TRACT 15, A DISTANCE OF 660.51 FEET; THENCE SOUTH 01°07'53" EAST, ALONG THE EAST LINE OF SAID TRACT 15, A DISTANCE OF 459.72 FEET; THENCE NORTH 89°00'51" EAST, ALONG A LINE 200 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF TRACT 16, A DISTANCE OF 302.46 FEET; THENCE SOUTH 01°28'08" WEST, ALONG SAID WEST RIGHT-OF-WAY LINE OF U.S. 441, A DISTANCE OF 49.52 FEET; THENCE SOUTH 01°28'24" WEST, ALONG SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 150.66 FEET TO THE POINT OF BEGINNING.

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AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

CYPRESS LAKES PRESERVE

HOMEOWNERS ASSOCIATION, INC.

A Corporation Not For Profit

In accordance with the provisions of Sections 617.1001, 617.1002 and 617.1007 of the Florida Not-For-Profit Corporation Act, Cypress Lakes Preserve Homeowners Association, Inc., a Florida not-for-profit corporation, (the "Association"), pursuant to actions adopted by joint written consent of the members of the Board of Directors and the sole member of the Association, hereby adopts the following Amended and Restated Articles of Incorporation as follows:

ARTICLE I

NAME

The name of the Association shall be CYPRESS LAKES PRESERVE HOMEOWNERS ASSOCIATION, INC. and the principal place of business shall be 9350 Sunset Drive, Suite 100, Florida 33173.

ARTICLE II

PURPOSES

The objects and purposes of the Association are those objects and purposes as are authorized by the Declaration of Covenants and Restrictions for Fieldstone by Westbrooke recorded (or to be recorded) in the Public Records of Palm Beach County, Florida, as hereafter amended and/or supplemented from time to time (the "Covenants," capitalized terms used but not otherwise defined herein will have the meaning set forth in the Covenants). The further objects and purposes of the Association are to preserve the values and amenities in The Properties and to maintain the Common Areas thereof for the benefit of the Members of the Association. The Association shall be conducted as a not-for-profit organization for the benefit of the Members.

ARTICLE III

POWERS

The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles and the Covenants. The Association shall also have all of the powers necessary powers to provide for the general health and welfare of the Members and to implement the purposes of the Association as set forth in the Covenants, including, without limitation, the following:

- A. Management. The Association shall have the power to contract for the management of the Association and to delegate to the party with whom such contract has been entered into (which may be an affiliate of the Developer) the powers and duties of the Association, except those which require specific approval of the Board of Directors or Members.

B. Rules and Regulations. Make and establish reasonable Rules and Regulations governing use of The Properties.

C. Assessments. Levy and collect assessments against Members to defray the cost of performing its duties under the Covenants.

D. Maintenance. Maintain, repair, replace, operate and manage The Properties, including the right to reconstruct improvements after casualty and further to improve and add to The Properties.

E. Enforcement. Enforce the provisions of these Articles, the Covenants, the Bylaws, and all Rules and Regulations governing use of The Properties which may from time to time be established.

F. Other Rights and Duties. Exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association in the Covenants or by applicable law.

ARTICLE IV

MEMBERS

Section 1. Membership. Every Person who is a record owner of fee title in any Lot shall be a Member of the Association, provided that any such Person who holds such interest merely as security for the performance of an obligation shall not be a Member. The Membership of such Person shall be automatically terminated when such Person is divested of title or ownership in such Lot, provided that nothing herein contained shall be construed as terminating the Membership of any Person owning fee title in two or more Lots at any time while such Person shall retain fee title in at least one Lot.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

Class "A". Class "A" Members shall be the Owners as defined in Section 1 of this Article IV with the exception of the Developer (as long as the Class "B" Membership shall exist, and thereafter, the Developer shall be a Class "A" Member to the extent it would otherwise qualify). Except as provided below, Class "A" Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Section 1. When more than one Person holds such interest or interests in any Lot, all such Persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, subject only as provided in the following sentence, in no event shall more than one vote be cast with respect to any such Lot.

Class "B". The Class "B" Member shall be the Developer. The Class "B" Member shall be entitled to one (1) vote, plus two (2) votes for each vote which the Class "A" Members are entitled to cast in the aggregate from time to time. The Class "B" membership shall cease on the happening of the earlier of the following events (as applicable, the "Turnover Date")::

- (i) ninety days after ninety percent (90%) of all Lots have been conveyed by the Developer to Members (provided, that sales from Developer to a Builder shall not be used for determining the threshold of sales described above); or
- (ii) the Developer, in its sole discretion, voluntarily converts its Class "B" Membership to Class "A" membership; or
- (iii) on December 31, 2008.

Section 3. Meetings of Members. The Bylaws shall provide for an annual meeting of Members, and may make provisions for regular and special meetings of Members other than the annual meeting. A quorum for the transaction of business at any meeting of the Members shall exist if 30% of the total number of votes entitled to be cast shall be present or represented by proxy at the meeting.

Section 4. General Matters. When reference is made herein, or in the Covenants, Bylaws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members and not of the Members themselves.

ARTICLE V

CORPORATE EXISTENCE

The Association shall have perpetual existence; provided that if it is dissolved, its assets shall be conveyed to another association or public agency having a similar purpose.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. Management by Board of Directors. The property, business and affairs of the Association shall be managed by a Board of Directors of the Association. The number of Directors on the first Board of Directors of the Association shall be three (3). The number of Directors on succeeding Boards of Directors of the Association shall also be three (3), unless changed by the Board of Directors of the Association shall from time to time. A majority of the Board of Directors of the Association shall constitute a quorum for the transaction of business. The Bylaws shall provide for meetings of the Board of Directors of the Association, including an annual meeting.

Section 2. Election of Members of Board of Directors. Except as otherwise provided herein and for the first Board of Directors of the Association and their Developer-appointed replacements, the Directors shall be elected by the Members of the Association at the annual meeting of the membership as provided by the Bylaws, and the Bylaws may provide for the method of voting in the election and for removal from office of Directors. All Directors shall be Members of the Association residing in The Properties or shall be authorized representatives, officers, or employees of corporate Members of the Association, or designees of the Developer. Prior to the Turnover Date, the Developer shall have the right to appoint the Directors by written notice to such effect or by an announcement reflected in the minutes of the annual meeting of the Association. Commencing on the Turnover Date, Members other than the Developer are entitled to elect a majority of the Directors of the Association. The Developer is entitled to elect at least one Director of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Lots. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive in writing its rights hereunder and thereafter to vote in elections for Directors in the same manner as other Owners of Lots.

Section 3. Duration of Office. Members elected to the Board of Directors of the Association shall hold office until the next succeeding annual meeting of Members, and thereafter until qualified successors are duly elected and have taken office.

Section 4. Vacancies. If a Director elected by the general membership shall for any reason cease to be a Director, the remaining Directors so elected may elect a successor to fill the vacancy for the balance of the term.

Section 5. Board of Directors. The names and addresses of the Persons appointed to the Board of Directors by the Developer, who shall hold office until their successors are selected and have qualified as set forth under these Articles, the Bylaws and/or applicable provisions of the laws of Florida, are as follows:

Harold L. Eisenacher

9350 Sunset Drive, Suite 100
Miami, Florida 33173

Diana Ibarria

9350 Sunset Drive, Suite 100
Miami, Florida 33173

David Webber

1860 Old Okeechobee Road, Suite 503
West Palm Beach, Florida 33409

ARTICLE VII

OFFICERS

Section 1. Election and Appointment of Officers. The officers of the Association, in accordance with any applicable provision of the Bylaws, shall be elected by the Board of Directors of the Association for terms of one (1) year and thereafter until qualified successors are duly elected and have taken office. The Bylaws may provide for the method of voting in the election, for the removal from office of officers, for filling vacancies and for the duties of the officers. The President shall be a Director. Other officers may or may not be Directors. If the office of President shall become vacant for any reason, or if the President shall be unable or unavailable to act, the Vice President shall automatically succeed to the office or perform its duties and exercise its powers. If any office shall become vacant for any reason, the Board of Directors of the Association may elect or appoint an individual to fill such vacancy.

Section 2. Officers. The officers of the Association, who shall hold office until their successors are selected and have qualified as set forth under these Articles, the Bylaws and/or applicable provisions of the laws of Florida, are as follows:

President	Harold L. Eisenacher
Vice President	Diana Ibarria
Secretary/Treasurer	David Webber

ARTICLE VIII

BYLAWS

The Board of Directors of the Association shall adopt Bylaws consistent with these Articles. Such Bylaws may be altered, amended or repealed in the manner set forth in the Bylaws.

ARTICLE IX

AMENDMENTS AND PRIORITY

Section 1. Amendment. These Articles may be amended by the affirmative vote of seventy-five percent (75%) of the votes represented by Members present in person or by proxy at any Annual Members' Meeting or any special meeting of the Members called for that purpose or who have acted by written response in lieu of a meeting as permitted by the Bylaws. Any amendment approved as required hereby shall be transcribed and certified in the such form as may be necessary to file the same in the office of the Secretary of State of the State of Florida. A certified copy of the approved amendment shall also be recorded in the public records of Palm Beach County, Florida within thirty (30) days from the date approved. Notwithstanding the foregoing, these Articles may not be amended by the Members in any manner which shall amend, modify or affect any provisions, terms, conditions, rights or obligations set forth herein or in the Declaration or

Bylaws, as the same may be amended from time to time in accordance with the provisions thereof, including, without limitation, any rights of Developer, or of an Institutional Mortgagee, without the prior written consent thereto by Developer or Institutional Mortgagee, as the case may be, which consent may be withheld in such parties' discretion.

Section 2. Priority. In case of any conflict between these Articles and the Bylaws, these Articles shall control; and in case of any conflict between these Articles and the Covenants, the Covenants shall control.

ARTICLE X

INDEMNIFICATION

Section 1. Indemnification. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, employee, officer or agent of the Association, against all expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) it is determined by a court of competent jurisdiction, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or that he acted in a manner he believed to be not in or opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further determines specifically that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner which he believed to be in or opposed to the best interest of the Association, and with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

Section 2. Expenses. To the extent that a Director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 of this Article XI or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually incurred by him in connection therewith.

Section 3. Cumulative. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Members or otherwise, both as to action in his official capacity while holding such office or otherwise, and shall continue as to a person who has ceased to be Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 4. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

Section 5. No Amendment. The provisions of this Article XI shall not be amended.

**CERTIFICATE DESIGNATING REGISTERED AGENT
AND REGISTERED OFFICE**

In compliance with the laws of Florida, the following is submitted:

That desiring to organize under the laws of the State of Florida with its principal office, as indicated in the foregoing Articles of Incorporation, in the County of Miami-Dade, State of Florida, the corporation named in said Articles has named 200 South Biscayne Blvd., Suite 4900, Miami, Florida 33131, as its registered office, and has named Steven J. Vainder, Esq., located at said address, as its registered agent.


HAROLD L. EISENACHER

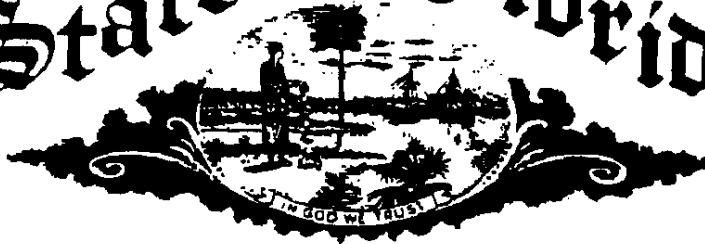
Having been named the statutory agent of the above corporation at the place designated in this certificate, I hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.

Dated this 2nd day of May, 2003.


STEVEN J. VAINDER, ESQ.

Not a Certified Copy

State of Florida



Department of State

I certify the attached is a true and correct copy of the Amended and Restated Articles of Incorporation, filed on May 2, 2003, for CYPRESS LAKES PRESERVE HOMEOWNERS ASSOCIATION, INC., a Florida corporation, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H03000184584. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N01000002522.

Authentication Code: 303A00027131-050203-N01000002522-1/1

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the Second day of May, 2003



Glenda E. Hood
Glenda E. Hood
Secretary of State

AMENDED AND RESTATED
BYLAWS
OF
CYPRESS LAKES PRESERVE
HOMEOWNERS ASSOCIATION, INC.

Section 1. Identification of Association

In accordance with the provisions of Sections 617.1001, 617.1002 and 617.1007 of the Florida Not-For-Profit Corporation Act, Cypress Lakes Preserve Homeowners Association, Inc., a Florida not-for-profit corporation (the "Association"), pursuant to actions adopted by joint written consent of the members of the Board of Directors and the sole member of the Association, hereby adopts the following Amended and Restated Bylaws, the Amended and Restated Articles of Incorporation ("Articles") of which were filed in the office of the Secretary of State of the State of Florida. The Association has been organized for the purposes described in the Articles.

1.1 The office of the Association shall be 9350 Sunset Drive, Suite 100, Miami, Florida, 33173, and thereafter may be located at any place designated by the Board of Directors of the Association.

1.2 The fiscal year of the Association shall be the calendar year.

1.3 The seal of the Association shall bear the name of the Association, the word "Florida" and the words "Corporation Not For Profit."

Section 2. Definitions

All capitalized terms used but not otherwise defined herein will have the meaning set forth in that certain Declaration of Covenants and Restrictions for Fieldstone by Westbrooke ("Declaration").

Section 3. Membership; Members' Meeting; Voting and Proxies

3.1 The qualification of Members, the manner of their admission to Membership in the Association, the termination of such Membership and the manner of voting by Members shall be as set forth in the Articles, the provisions of which are incorporated herein by reference.

3.2 The Members shall meet annually at the office of the Association (or at such other place within the State of Florida as may be determined by the Board of Directors of the Association and specified in the notice of the meeting) at 2:00 p.m. on the first Thursday in the month of November ("Annual Members' Meeting"). The purpose of the Annual Members' Meeting shall be to elect Directors and transact any other business authorized to be transacted at such meeting.

3.3 Special meeting of the Members shall be held at any place within the State of Florida whenever called by the President or Vice President or by a majority of the Board of Directors. A special meeting must be called by the President or Vice President upon receipt of a written request from Members having the right to vote at least 30% of the total number of votes entitled to be cast at such meeting.

3.4 A written notice of all meetings of Members, whether the Annual Members' Meeting or special meetings, shall be given to each Member at his last known address as it then appears on the books of the Association unless specifically waived in writing by a Member prior to the required notification period as set forth below. In the absence of any specific address for a Member, the Association shall use the address of any Dwelling Unit owned by such Member. Such

notice of an Annual Members' Meeting or special meeting shall be mailed to the said address not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the Affidavit of the Person who mailed such notice. The notice shall state the time and place of the meeting and the purpose for which the meeting is called. The notice shall be signed by an officer of the Association or reflect a facsimile of such signature. If a meeting of the Membership, either Annual or special, is one which, by express provision of the Declaration or Articles permits or requires a greater or lesser amount of time for the mailing or posting of notice than is required or permitted by the provision of this Section 3.4, then the aforesaid express provision shall govern. Notwithstanding any provision herein to the contrary, notice of any Meeting may be waived before, during or after such Meeting, by a Member or by the Person entitled to vote for such Member by signing a document setting forth the waiver of such notice.

3.5 The Membership may, at the discretion of the Board of Directors of the Association, act by written agreement in lieu of a meeting, provided written notice of the matter(s) to be agreed upon is given to the Members at the addresses and within the time period set forth in Section 3.4 hereof or duly waived in accordance with such Section. Unless some greater number is required under the Declaration or Articles, the decision of a majority of the votes cast by Members as to the matter(s) to be agreed or voted upon shall be binding. Notice with respect to actions to be taken by written response in lieu of a meeting shall set forth a time period in which the written response is to be received by the Association.

3.6 A quorum for a meeting of the Members shall consist of persons entitled to cast at least 30% of all votes entitled to be cast. A Member may join in the action of a meeting by signing and concurring in the minutes thereof and such a signing shall constitute the presence of such parties for the purpose of determining a quorum. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the voting rights present in person or by "Proxy" (as hereinafter defined) shall be required to decide the question unless the question is one upon which an express provision of the Declaration or Articles requires a vote other than the majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such question.

3.7 If any meeting of the Members cannot be organized because a quorum is not in attendance, the Members who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present. In the case of the meeting being postponed, the notice provisions for the adjournment shall be as determined by the Board of Directors.

3.8 Minutes of all meetings shall be kept in a businesslike manner and available for inspection by the Members at all reasonable times. The Association shall retain minutes for at least seven (7) days subsequent to the date of the meeting the minutes reflect.

3.9 Voting rights of Members shall be as stated in the Articles. Such votes may be cast in person or by Proxy. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted in the place and stead of the Person entitled to vote. Proxies shall be in writing, must be dated, must state the date, time and place of the meeting for which it was given and must be signed by the Person giving the same and shall be valid only for the particular meeting designated therein and, if so stated in the Proxy, any adjournments thereof. A Proxy must be filed with the Secretary of the Association at least two (2) business days before the appointed time of the meeting in order to be effective. A Proxy automatically expires 90 days after the date of the meeting for which it was originally given. A Proxy may be revoked only by a separate written instrument filed with the Secretary of the Association prior to the time a vote is cast according to such Proxy. No person or entity other than an officer of the Association may hold more than ten (10) Proxies.

3.10 The voting interest of the Owners of any Lot owned by more than one (1) person, a corporation or other entity, or by one (1) person and a corporation and/or other entity, or by any combination of the aforesaid, shall be cast by the Owner, officer, partner or principal ("Voting Member") named in a voting certificate ("Voting Certificate") filed with the Secretary of the Association signed by all of the Owners of such Lot or, if appropriate, by properly designated officers, principals or partners of the respective legal entity which owns the Lot. In the alternative, a Proxy as to a particular meeting may be executed in the same manner as the Voting Certificate. If neither a Proxy nor a Voting Certificate is on file, the voting interest associated with a Lot where the designation of a Voting Member or execution of a Proxy is required shall not be considered in determining the requirement for a quorum or for any other purpose. In the event a valid Voting Certificate and a valid Proxy are filed with the Secretary of the Association with respect to a particular Lot(s) which provide for different

persons present at the meeting to vote for such Lot(s), the Voting Certificate shall control and the person named as the Voting Member therein shall be entitled to vote for such Lot(s).

3.11 Notwithstanding the provisions of Paragraph 3.10 above, whenever any Lot is owned solely by a husband and wife they may, but shall not be required to, designate a Voting Member. In the event a Voting Certificate designating a Voting Member is not filed by the husband and wife, the following provisions shall govern their right to vote:

- (i) Where both husband and wife are present at a meeting, each shall be regarded as the agent and proxy for the other for purposes of casting the voting interest for each Lot owned solely by them. In the event they are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to exercise their voting interest on that subject at that meeting, but will be counted for purposes of determining if a quorum is present.
- (ii) Where only one (1) is present at a meeting, the spouse present may exercise the voting interest of the Lot without establishing the concurrence of the other spouse, absent any prior written notice to the contrary to the Association by the other spouse. In the event of prior written notice to the contrary to the Association by the other spouse, the vote of said Lot shall not be considered in determining if there is a quorum or for any other purpose unless such prior notice to the contrary has been withdrawn by a subsequent written notice executed by both husband and wife.
- (iii) Where neither spouse is present, the person designated in a Proxy signed by either spouse may exercise the voting interest of the Lot, absent any prior written notice to the contrary to the Association by the other spouse or the designation of a different Proxy by the other spouse. In the event of prior written notice to the contrary to the Association or the designation of a different Proxy by the other spouse, the vote of said Lot shall not be considered in determining if there is a quorum or for any other purpose.

3.12 At any time prior to a vote upon a matter at a meeting of the Members, any Member may demand the use of a secret written ballot for the voting on such matter. The chairman of the meeting shall call for nominations for inspectors of election to collect and tally written ballots under the completion of balloting upon the subject matter.

Section 4. Board of Directors' Meetings

4.1 The form of administration of the Association shall be by a Board of Directors consisting of not less than three (3) Directors.

4.2 The provisions of the Articles setting forth the selection, designation, election and removal of the first Board of Directors are hereby incorporated herein by reference.

4.3 Any person elected or designated as a Director shall have all the rights, privileges, duties and obligations of a Director of the Association.

4.4 The term of each Director's service shall extend until the next Annual Members' Meeting and thereafter, until his successors is duly elected and qualified or until he is removed.

4.5 A Director designated by Developer as provided in the Articles may be removed only by Developer in its sole discretion and without any need for a meeting or vote. Developer shall have the unqualified right to name a successor for any Director designated and thereafter removed by it or for any vacancy as to a Director designated, or entitled to be designated, by it, and Developer shall notify the Board of Directors of the Association as to any such removal or vacancy and the name of the successor Director and of the commencement date for the term of such successor Director.

4.6 The organizational meeting of any newly elected Board of Directors shall be held within ten (10) days of the Annual Members' Meeting at such place and time as shall be fixed by the Directors at the Annual Members' Meeting. No further notice of the organizational meeting shall be necessary, providing that a quorum shall be present at such organizational meeting.

4.7 Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of Directors. Special meetings of the Board of Directors may be called at the discretion of the President or the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.

4.8 Notice of the time and place of regular and special meetings of the Board of Directors, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day specified for such meeting and shall be posted in a conspicuous place in the Community at least 48 hours in advance, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the Community, notice of each board meeting must be mailed or delivered to each Member at least 7 days before the meeting, except in an emergency. No assessments may be levied at a meeting of the Board of Directors unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments is described. Any Director may waive notice of the meeting before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.9 Quorum of the Board of Directors shall consist of the Directors entitled to cast a majority of the votes of the entire Board of Directors. A Director may join in the action of the meeting of the Board of Directors by signing the minutes thereof, and such signing shall constitute the presence of such Director for the purpose of determining a quorum. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board of Directors, except as specifically provided otherwise in the Declaration, the Articles or herein. If at any meetings of the Board of Directors there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted. In the case of the meeting being postponed, the notice provisions for the adjournment shall be as determined by the Board of Directors.

4.10 The presiding officer at Board of Directors meetings shall be the President. In the absence of the President, the Directors present shall designate any one of their number to preside.

4.11 Directors' fees, if any, shall be determined by a majority of the Members.

4.12 Minutes of all meetings shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. A vote or abstention from voting on each matter voted upon for each Director present must be recorded in the minutes.

4.13 The Board of Directors shall have the power to appoint executive committees consisting of not less than two (2) Directors. Executive committees shall have and exercise such powers of the Board of Directors as may be delegated to such executive committee by the Board of Directors.

4.14 Unless the Board of Directors holds a meeting with its attorney with respect to proposed or pending litigation where the contents of the discussion would be governed by the attorney-client privilege., meetings of the Board of Directors shall be open to all Owners. Unless an Owner serves as a Director or unless he has been specifically invited by the Directors to participate in the meeting, the Owner shall not be entitled to participate in the meeting, but shall only be entitled to act as an observer. In the event an Owner not serving as a Director or not otherwise invited by the Directors to participate in the meeting attempts to become more than a mere observer at the meeting or conducts himself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Owner from the meeting by any reasonable means which may be necessary to accomplish said Owner's expulsion. Also, any Director shall have the right to exclude from any meeting of the Board of Directors any person who is not able to provide sufficient proof that he is an Owner or a duly authorized representative, agent or Proxy holder of an Owner, unless said person has been specifically invited by any of the Directors to participate in such meeting.

4.15 Subject to the provisions of applicable law, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent, specifically setting forth the action to be taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of Directors.

Section 5. Powers and Duties of the Board of Directors

5.1 All of the powers and duties of the Association shall be exercised by the Board of Directors. Such powers and duties of the Board of Directors shall include, but not be limited to, all powers and duties set forth in the Declaration and Articles, as well as all of the powers and duties of a director of a corporation not for profit.

5.2 Assessments shall be collected by the Association in payments made directly to it by each Owner as set forth in the Declaration. The Board of Directors shall be empowered to levy fines and late fees in order to effectuate the enforcement of the provisions of the Declaration and the timely payment of all Assessments levied thereunder.

Section 6. Officers of the Association

6.1 Executive officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer, a Secretary and, if the Board of Directors so determines, an Assistant Secretary and an Assistant Treasurer, all of whom shall be elected annually as set forth in the Articles. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board of Directors. The Board of Directors shall, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board of Directors shall find to be required to manage the affairs of the Association. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President may not be held by the same person, nor will the office of President and Secretary or Assistant Secretary be held by the same person.

6.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of an association or a corporation not for profit, including, but not limited to, the power to appoint such committees at such times from among the Members as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association. If in attendance, the President shall preside at all meetings of the Board of Directors.

6.3 In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board of Directors. In the event there shall be more than one Vice President elected by the Board of Directors, then they shall be designated "First," "Second," etc. and shall exercise the powers and perform the duties of the presidency in such order.

6.4 The Secretary, when in attendance, shall cause to be kept the minutes of all meetings of the Board of Directors and the Members, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. He shall have custody of the seal of the Association and shall affix the same to instruments requiring a seal which duly signed, he shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board of Directors or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary.

6.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the officer of Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer whenever the Treasurer is absent and shall assist the Treasurer.

6.6 The compensation, if any, of all officers and Directors of the Association shall be fixed by the Board of Directors. This provision shall not preclude the Board of Directors from employing a Director or an officer as an employee of the Association or preclude the contracting with a Director or an officer for the management of the Common Area.

Section 7. Accounting Records; Fiscal Management

7.1 The Association shall maintain accounting records in accordance with good accounting practices, which shall be open to inspection by Members and Institutional First Mortgagees or their respective authorized representatives at reasonable times and places. Such authorization as a representative of a Member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection. Written summaries of the accounting records shall be available at least annually to the Members.

7.2 The Board of Directors shall adopt an annual Budget (as provided for in the Declaration) of the anticipated costs of performing all of the functions of the Association (the "Common Expenses") for the forthcoming calendar year (the fiscal year of the Association being the calendar year) at a special meeting of the Board of Directors ("Budget Meeting") called for that purpose. The Budget must set out separately all fees or charges for recreational amenities, whether owned by the Association, the Developer, or another person. The Association shall provide each Member with a copy of the Budget or a written notice that a copy of the Budget is available upon request at no charge to the Member. The copy of the Budget or notice of availability thereof shall be deemed furnished upon its delivery or upon its being mailed to the Member at the address for giving notices to such Member as provided in Section 3.4 hereof. In the event a notice of availability is sent, the Budget must be available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. Notwithstanding the foregoing, except as otherwise provided by applicable Florida law, the failure to deliver a copy of the Budget to each Member shall not affect the liability of any Member for any such assessment nor will the delivery of a copy of such Budget be a condition precedent to the effectiveness of such Budget or the Assessments levied pursuant thereto. Moreover, except to the extent otherwise provided by applicable Florida law, nothing contained herein shall be construed as a limitation upon an additional Assessment in the event that any Budget adopted by the Board of Directors shall appear to be insufficient to pay the costs and expenses of the operation and management of the Association or in the event of any emergency; provided, however, at least twenty (20) days prior to the effective date of any change in the amount of Assessments, the Association shall send written notice of the new Assessment amount and the due date(s) thereof to each Member.

7.3 In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar year on a pro rata basis any expenses which are prepaid in any one calendar year for Common Expenses which cover more than such calendar year; (iv) Assessments shall be made monthly or quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current Common Expenses and for all unpaid Common Expenses previously incurred; and (v) items of Common Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, the Assessments for Common Expenses and any periodic installments thereof shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses in any calendar year as such expenses are incurred in accordance with the cash basis method of accounting.

7.4 All Assessments shall be payable as provided for in the Declaration.

7.5 No Board of Directors shall be required to anticipate revenue from Assessments or expend funds to pay for Common Expenses not budgeted or which shall exceed budgeted items, and no Board of Directors is required to engage in deficit spending. Should there exist any deficiency which results from there being greater Common Expenses than monies from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of an adjustment to the applicable Assessments; provided, however, at least twenty (20) days prior to the effective date of any change in the amount of Assessments, the Association shall send written notice of the new Assessment amount and the due date(s) thereof to each Member.

7.6 The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board of Directors.

7.7 An annual financial report of actual receipts and expenditures (which report must show the actual receipts and expenditures by classification and the beginning and ending cash balances of the Association) or a financial statement prepared in conformity with generally accepted accounting principles (however, such statement need not be audited by a Certified Public Accountant) for the immediately preceding fiscal year of the Association shall be made within sixty (60) days after the close of the applicable fiscal year. The Association shall provide each Member with a copy of the report or statement or a written notice that a copy thereof is available upon request at no charge to the Member. The copy of the report or statement or notice of availability thereof shall be deemed furnished upon its delivery or upon its being mailed to the Member at the address for giving notices to such Member as provided in Section 3.4 hereof. In the event a notice of availability is sent, the report or statement must be available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. Any Institutional First Mortgagee, upon written request therefor, shall receive such financial report or statement of the Association for the prior fiscal year without charge.

Section 8. Books and Papers

8.1 The books, records, financial statements and papers of the Association shall be maintained within the State of Florida and, during reasonable times and places within 10 business days after receipt of written request therefore, be subject to the inspection of any Member of the Association. The Association may adopt reasonable written rules governing the frequency, time, location, notice and manner of such inspections and may impose fees to cover the costs of providing copies.

8.2 The Association shall maintain each of the following items, when applicable, which constitute the official records of the Association:

- (a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the Common Area or other property that the Association is obligated to maintain, repair, or replace.
- (b) A copy of the Bylaws and of each amendment thereto.
- (c) A copy of the Articles and of each amendment thereto.
- (d) A copy of the Declaration and a copy of each amendment thereto.
- (e) A copy of the current Rules and Regulations of the Association.
- (f) The minutes of all meeting of the Board of Directors and of the members, which minutes must be retained for at least seven (7) years.
- (g) A current roster of all Members and their mailing addresses and Lot identifications.
- (h) All of the Association's insurance policies or a copy thereof, which policies must be retained for at least seven (7) years.
- (i) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreements, lease, or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed must also be considered official records and must be kept for a period of one (1) year.

(j) The financial and accounting records of the Association shall be kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:

- (1) Accurate, itemized, and detailed records of all receipts and expenditures.
- (2) A current account and a periodic statement of the account for each Member, designating the name and current address of each Member who is obligated to pay Assessments, the due date and amount of each Assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due.
- (3) All tax returns, financial statements, and financial reports of the Association.
- (4) Any other records that identify, measure, record, or communicate financial information.

8.3 To the extent permitted under applicable Florida law, the Association may adopt reasonable rules governing the frequency, time, location, notice, and manner of such inspections, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying.

Section 9. Rules and Regulations

The Board of Directors may adopt Rules and Regulations or amend, modify or rescind existing Rules and Regulations for the operation and use of the Common Area; provided such Rules and Regulations are not inconsistent with the Declarations or Articles. Copies of any Rules and Regulations promulgated, modified, amended or rescinded shall be mailed or delivered to all Members at the address for giving notices to such Member as provided in Section 3.4 hereof and shall not take effect until forty-eight (48) hours after such mailing or delivery. Notwithstanding the foregoing, where Rules and Regulations are to regulate the use of specific portions of the Common Area such rules and regulations may be conspicuously posted at such facility and such rules and regulations shall be effective immediately upon such posting.

Section 10. Parliamentary Rules

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of this Association when not in conflict with the Declaration, the Articles, or these Bylaws.

Section 11. Amendments of the Bylaws

These Bylaws may be amended by the affirmative vote of seventy-five percent (75%) of the votes represented by Members present in person or by proxy at any Annual Members' Meeting or any special meeting of the Members called for that purpose or who have acted by written response in lieu of a meeting as permitted by these Bylaws. Notwithstanding the foregoing, these Bylaws shall not be amended by the Members in any manner which shall amend, modify or affect any provisions, terms, conditions, rights or obligations set forth herein or in the Declaration or Articles, as the same may be amended from time to time in accordance with the provisions thereof, including, without limitation, any rights of Developer, or of an Institutional Mortgagee, without the prior written consent thereto by Developer or Institutional Mortgagee, as the case may be, which consent may be withheld in such parties' discretion.

Section 12. Interpretation

In the event of a conflict between the Bylaws and the provisions of the Articles and/or the Declaration, the provision in the Articles and/or Declaration shall control.

The foregoing Bylaws of Fieldstone by Westbrooke Homeowners Association, Inc. have been adopted by all of the Directors of Fieldstone by Westbrooke Homeowners Association, Inc.

FIELDSTONE BY WESTBROOKE
HOMEOWNERS ASSOCIATION, INC.

By: *H. Eisenacher*
Name: Harold Eisenacher
Date: 1/11/09

This is not a certified copy

This instrument was prepared by:
MARK D. FRIEDMAN, ESQ.
Becker & Poliakoff, P.A.
625 North Flagler Drive - 7th Floor
West Palm Beach, FL 33401
(W-C 112)

**CERTIFICATE OF AMENDMENT TO THE
DECLARATION OF COVENANTS AND RESTRICTIONS OF
FIELDSTONE BY WESTBROOKE**

WHEREAS, the **Declaration of Covenants and Restrictions for Fieldstone by Westbooke** has been duly recorded in the Public Records of Palm Beach County, Florida, in Official Record Book **16458** at Page **1352**; and

WHEREAS, at a duly called and noticed meeting of the membership of **Cypress Lakes Preserve Homeowners Association, Inc.**, a Florida not-for-profit corporation, held March 24, 2009, the aforementioned Declaration of Covenants and Restrictions was amended pursuant to the provisions of said Declaration.

NOW, THEREFORE, the undersigned hereby certify that the following amendment to the Declaration is a true and correct copy of the amendment as amended by the membership.

**AMENDMENT TO THE
DECLARATION OF COVENANTS AND RESTRICTIONS FOR
FIELDSTONE BY WESTBROOKE**

(Additions shown by "underlining",
deletions shown by "~~strikeout~~",
unaffected text indicated by "...")

ARTICLE 8.

RESALE, LEASE AND OCCUPANCY RESTRICTIONS

8.4 Sales And Occupancy Restrictions. No Unit Owner may sell or transfer any interest in and to his/her Unit without first obtaining the approval of the Board of Directors (hereinafter referred to as "the Board") as hereinafter provided:

(i) Notice to Association. A Unit Owner intending to sell or transfer his/her Unit or any interest therein shall submit to the Board a notice of his/her intention together with the name(s) and address(es) of the proposed purchaser(s) and such other information concerning the i) proposed sale; ii) proposed purchaser(s); or iii) proposed occupant(s) as the Board may reasonably require including but not limited to a copy of the proposed sales contract and a completed application form to be signed by the Unit Owner and the proposed purchaser(s) of the Unit. The application may be obtained from either the Board or the Association's management firm. Within thirty (30) days after the Board has received notice of the Unit Owner's intention to sell or transfer his/her Unit and all information pertaining to the proposed sale, the Board shall either approve or disapprove the sale or transfer. The Board shall have the absolute right to disapprove a proposed sale or transfer if: (1) approval of the proposed purchaser (which include all proposed occupants) would violate any provision of the Declaration of Covenants and Restrictions for Cypress Lakes

Preserve, the Association's By-Laws, and Articles of Incorporation and Rules and Regulations (hereinafter referred to as "the Governing Documents"); (2) the Unit Owner has failed to pay assessments to the Association; (3) the Unit Owner or intended purchaser (including all proposed occupants) makes any material misrepresentation on any documents or information requested by the Board; (4) the Unit Owner, or intended purchaser fails to submit a completed application form; (5) the Unit Owner fails to submit the transfer/screening fee discussed below; (6) the person(s) seeking approval (which shall include all proposed occupants) has/have been convicted of a crime of moral turpitude.

(ii) Transfer/Screening Fees. All applicants for purchase or occupancy shall submit with the application for approval a non-refundable transfer/screening fee in the sum of One Hundred Dollars (\$100.00) per applicant or such other amount as amended from time to time by the Board.

* * * * *

WITNESS my signature hereto this 17TH day of MAY, 2009, at Palm Beach County, Florida.

**CYPRESS LAKES PRESERVE
HOMEOWNERS ASSOCIATION, INC.**

Karen Fenick
Witness
Karen Fenick
(PRINT NAME)

By: Laurel Craig President

Kathleen T. Jako
Witness
Kathleen T. Jako
(PRINT NAME)

Attest Theodore S. Jako Secretary

STATE OF FLORIDA :
COUNTY OF PALM BEACH :

The foregoing instrument was acknowledged before me this 17th day of May 2009, by Laurel Craig and Theodore Jako, as President and Secretary, respectively, of **Cypress Lakes Preserve Homeowners Association, Inc.**, a Florida not-for-profit corporation, on behalf of the corporation. They are personally known to me, or have produced N/A as identification and did take an oath.

Linda Edgar (Signature)

Linda Edgar (Print Name)
Notary Public, State of Florida at Large



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CFN 20130536704
OR BK 26513 PG 0934
RECORDED 12/18/2013 12:59:01
Palm Beach County, Florida
Sharon R. Bock, CLERK & COMPTROLLER
Pgs 0934 - 936; (3pgs)

This instrument prepared by and upon recordation return to:
Daniel Wasserstein, Esq.
Wasserstein, P.A.
6501 Congress Avenue
Suite 100
Boca Raton, Florida 33487

**CERTIFICATE OF AMENDMENT TO DECLARATION OF COVENANTS AND
RESRICTIONS FOR CYPRESS LAKES PRESERVE HOMEOWNERS ASSOCIATION,
INC.**

THIS AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS FOR CYPRESS LAKES PRESERVE HOMEOWNERS ASSOCIATION, INC. (this "Amendment") is made by Cypress Lakes Homeowners Association, Inc., a Florida not-for-profit corporation (the "Association").

RECITALS

A. The Amended and Restated Articles of Incorporation of Cypress Lakes Homeowners Association, Inc. was recorded on January 21, 2004 in Official Records Book 16458, at Page 1381 of the Public Records of Palm Beach County, Florida (the "Articles") and sets forth that the Declaration of Covenants and Restrictions recorded on January 21, 2004 in Official Records Book 16458, at Page 1352 of the Public Records of Palm Beach County, Florida shall be the Declaration of Covenants and Restrictions for Cypress Lakes Preserve Homeowners Association, Inc. (the "Declaration").

B. Pursuant to Article 15.2 of the Declaration, the Declaration may be amended by the Association from time to time upon the execution and recordation of an instrument executed by the Association.

C. Pursuant to Florida Statute §720.306(1)(b), an amendment to the Declaration requires approval of sixty-six and two-thirds percent (66 2/3%) of the voting interests of the Association.

D. This Amendment was approved by sixty-six and two-thirds percent (66 2/3%) of the voting interests of the Association, voting in person or by proxy, at a duly called meeting of the members at which a quorum was attained.

E. The Association now desires to amend the terms of the Declaration as set forth herein.

NOW THEREFORE, the Association hereby declares that every portion of the Cypress Lakes Preserve Homeowners Association is to be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions and restrictions hereinafter set forth.

1. Recitals. The foregoing Recitals are true and correct and are incorporated into and form a part of this amendment.

2. Conflicts. In the event that there is a conflict between this Amendment and the Declaration, this Amendment shall control. Whenever possible, this Amendment and the Declaration shall be construed as a single document. Except as modified hereby, the Declaration shall remain in full force and effect. In the event that any amendment(s) to the Declaration have been recorded prior to this Amendment, this Amendment shall be deemed to follow such prior recorded amendment(s) in time and title. In the event of a conflict between this Amendment and any such prior recorded amendment(s), this Amendment shall control.

3. Definitions. All initially capitalized terms not defined herein shall have the meanings set forth in the Declaration.

4. Covenant. This Amendment shall be a covenant running with the land.

5. Amendments:

As indicated herein, words underlined are added and words ~~struck through~~ are deleted.

Article 8.2 of the Declaration is hereby amended as follows:

8.2 Leases. No portion of a Lot or Dwelling Unit other than an entire Lot and Dwelling Unit may be rented. Owners shall not be permitted to lease their Lot or Dwelling Unit during the first twenty four (24) months of ownership, which twenty four (24) month period shall commence on the closing date thereof or such other date that the Owner obtains title to his or her Lot or Dwelling Unit through any means of conveyance, with the exception that this shall not apply to the Association should it become an Owner of a Lot or Dwelling Unit or enter into an agreement whereby the Association will collect rent from the lease of another Owner's Lot or Dwelling Unit. All leases shall be in writing and shall provide (or be automatically deemed to provide) that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by tenant in observing any of the provision so this Declaration, the Articles and Bylaws and any applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing The Properties or administered by the Association. The leasing of Lots and Dwelling Units shall also be subject to the prior written approval of the Association, which approval shall not be unreasonably withheld and which shall be deemed given if the Association does not deny approval within fifteen (15) days of its receipt of a request for approval together with a copy of the proposed lease and all supporting information reasonably requested by the Association. Owners wishing to lease their Lots and Dwelling Units may, if the Board of Directors of the Association so elects, be required to place in escrow with the Association a sum of up to \$500.00 which may be used by the Association to repair any damage to the Common Areas or other portions of The Properties resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Association shall not be required to remit any interest on any such escrowed funds. The Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum 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. Any balance remaining in the escrow account, less an administrative charge not to exceed \$50.00 and exclusive of

