

21103PG1279

03R180489 2003 MAR 17 14:01

THIS INSTRUMENT PREPARED BY:
 Oscar R. Rivera, Esquire
 Siegfried, Rivera, Lerner,
 De la Torre & Sobel, PA
 201 Alhambra Circle, Suite 1102
 Coral Gables, FL 33134

**RESTATED DECLARATION
 AMENDING THE
 DECLARATION OF RESTRICTIONS & PROTECTIVE
 COVENANTS FOR PEARL LAKES**

THIS RESTATED DECLARATION ("Restated Declaration") is made this 17 day of December, 2002, by **ADRIAN DEVELOPERS CORP.**, a Florida corporation, its successors and assigns, with offices at 2450 S.W. 137th Avenue, Suite 228, Miami, Florida 33175 (hereinafter referred to as the "Developer"), and joined in by **PEARL LAKES HOMEOWNERS ASSOCIATION, INC.**, a Florida corporation not for profit, with offices at 2450 S.W. 137th Avenue, Suite 228, Miami, Florida 33175 (hereinafter referred to as the "Association"), which declares hereby that the lands described in Exhibit "A" (the "Properties") of this Restated Declaration are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth. This Restated Declaration shall amend that certain Declaration of Restrictions and Protective Covenants for Pearl Lakes dated July 28, 1995 and recorded October 12, 1995 in Official Records Book 16950 at Page 1142 of the Public Records of Miami-Dade County, Florida, as supplemented by Supplemental Declaration Amending Declaration of Restrictions and Protective Covenants for Pearl Lakes, recorded February 20, 1996 in Official Records Book 17101 at Page 1358 of the Public Records of Miami-Dade County, and re-recorded April 19, 1996 in Official Records Book 17171 at Page 2023 of the Public Records of Miami-Dade County, Florida, with the intent and desire that the covenants, restrictions, easements, and all matters affecting or relating to the title to the Property or the use thereof continues in effect uninterruptedly as expressly amended hereby.

RECITALS:

A. Developer has owned certain portions of the Property.

B. In order to provide for the orderly development and efficient operation of the Property and to maintain the values thereof, Developer intended to and has developed the Property pursuant to a general plan, subject to certain protective covenants, conditions, restrictions, reservations, easements, equitable servitude, liens and burdens, all running with the Property, as hereinafter set forth. The Property currently consists of three neighborhoods, which neighborhoods are known as Chelsea Parc, Sailpoint (consisting of Sailpoint I and Sailpoint II), and Chelsea Estates. This Restated Declaration, inter alia, creates a mechanism whereby each of these neighborhoods shall essentially, operate as an independent unit from the Association, by the creation of Electoral Districts and Subdistricts as defined hereinafter, while the Association limits its duties to the operation and maintenance of those Common Properties that benefit all of the above communities, namely two lakes that border upon more than one of the above listed neighborhoods.

C. In connection with the foregoing, Developer has created the Association, a corporation not for profit, under the laws of the State of Florida, to which certain rights, powers, duties and obligations for the Property have been delegated and assigned including, without limitation, operation, administration, maintenance and repair of portions of the Property, including the "Common Properties" (as hereinafter defined), and administering and enforcing the provisions of this Declaration.

NOW, THEREFORE, Developer hereby declares that the Property shall be hereafter owned, used, sold, conveyed, improved, encumbered, hypothecated, leased, demised and occupied, all subject to the covenants, restrictions, easements, reservations, conditions, regulations, burdens, liens, equitable servitude and all other provisions of this Restated Declaration, and any Supplemental Declarations thereto, which shall run with, benefit and burden all of the Property, and shall be binding on all parties having any right, title or interest in the Property, or any portion thereof, including the parties' heirs, personal representatives, successors and assigns. This Restated Declaration, shall relate back to that

certain Declaration of Restrictions and Protective Covenants for Pearl Lakes dated July 28, 1995 and recorded October 12, 1995 in Official Records Book 16950 at Page 1142 of the Public Records of Miami-Dade County, Florida.

Article I DEFINITIONS

1.01 "Articles" shall mean and refer to the Amended and Restated Articles of Incorporation of Pearl Lakes Homeowners' Association, Inc., which have been filed in the office of the Department of State of Florida, a copy of which is attached hereto as Exhibit "B," as such Amended and Restated Articles may be amended from time to time.

1.02 "Assessment(s)" shall mean and refer to "Common Assessments," "Individual Assessments," and "Special Assessments" (as each is hereinafter defined), individually and collectively, as the context may require.

1.03 "Association" shall mean and refer to PEARL LAKES HOMEOWNERS' ASSOCIATION, Inc., a Florida corporation not for profit, its successors and assigns.

1.04 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association.

1.05 "Bylaws" shall mean and refer to the Amended and Restated Bylaws of the Association, which have been adopted by the Board, a copy of which is attached hereto as Exhibit "C," as the Bylaws may be amended from time to time.

1.06 "Common Assessment" shall mean and refer to the charge against all Owners and their "Lots" (as hereinafter defined), representing their proportionate share of the "Common Expenses" (as hereinafter defined) of the Association.

1.07 "Common Expenses" shall mean and refer to the actual and estimated costs of ownership, maintenance, management, operation, repair and replacement of the Common Properties, for general but not Subdistrict purposes, including reserves for the foregoing to the extent adopted as part of the Association's budget, as provided in the Bylaws, including, without limitation: (a) unpaid Assessments; (b) the costs of any and all commonly-metered utilities, cable or master television charges, if any, and other commonly-metered charges for the Common Properties; (c) costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other agents, employees, or independent contractors; (d) costs of all gardening and other services benefitting the Common Properties, and all recreational facilities thereon; (e) costs of fire, casualty and liability insurance, worker's compensation insurance, and other insurance covering or connected with the Association or the Common Properties; (f) costs of bonding the members of the Board and the "Management Company" (as hereinafter defined); (g) taxes paid by the Association, including real property taxes for the Common Properties, if any; (h) amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Properties, or portions thereof; and (i) costs of any other items or expenses incurred by the Association for any reason whatsoever in connection with the Common Properties, the Association's rights or duties hereunder, and/or for the benefit of the Owners or the Property.

1.08 "Common Properties" shall mean and refer to those portions of the Property which are declared as being Common Properties in this Restated Declaration including where the context requires or permits, any "Improvements" (as hereinafter defined) thereon or any personal property owned by the Association and used or useful in connection with the operation of the Common Properties. Common Properties are for the common use and enjoyment of the Owners, subject to the rights hereunder of Developer and others.

1.09 "County" shall mean and refer to Miami-Dade County, Florida.

1.10 "Developer" shall mean and refer to Adrian Developers Corp., a Florida corporation, presently having an office located in Miami-Dade County, Florida, and any assignee of Developer's rights hereunder in accordance with Section 14.12 hereof, but only to the extent that such assignment is evidenced by an express written assignment of Developer's rights recorded in the Public Records of the County.

1.11 "Declaration" shall mean this Restated Declaration, as it may be amended from time to time.

1.115 "Electoral District" shall mean a geographical area or areas comprised of one or more housing types and representing a political unit for the purpose of electing directors pursuant to any Supplemental Declaration as hereinafter defined, and the Sub Associations created thereunder. Districts shall not be required to be equal in population. The Developer may at any time and from time to time until the termination of Class "B" membership as provided in Section 5.01 of Article V of this Declaration establish and alter or reestablish the boundaries of Electoral Districts by the recordation of an exhibit to this Declaration setting forth the metes and bounds or other legal description of the land contained within each Electoral District. After termination of the Class "B" membership, the Board of Directors may prepare and record such exhibit. Such recordation shall not constitute an amendment to this Declaration and shall not require the formality thereof. An Electoral District may be composed of non-contiguous property.

1.12 "Family" shall mean and refer to (i) a group of natural persons related to each other by blood, or legally related to each other by marriage or adoption, or (ii) a group of persons not so related who maintain a common household on a Lot.

1.13 "Improvement" shall mean and refer to all structures or artificially created conditions and appurtenances thereto of every type and kind located within the Property, including, but not limited to, buildings, structures, fixtures, walkways, sprinkler pipes and other apparatus, roads, driveways, parking areas, fences, screening walls, retaining walls, retain stairs, decks, landscaping, hedges, windbreaks, plantings, planted trees and shrubs, poles, antennas or satellite dishes, signs, and exterior air-conditioning and water-softener fixtures or equipment, if any.

1.15 "Individual Assessment" shall mean and refer to a charge against one or more Owners and their Lots, directly attributable to such Owner(s)' failure to duly perform or breach their obligations or burdens hereunder, and the Association's enforcement of this Declaration against such Owner(s) and/or Lot(s), as further described in Section 6.05 hereof.

1.16 "Institutional Mortgage" shall mean and refer to any bona fide first mortgage encumbering a Lot which was made in favor of Developer, a bank, mortgage company, insurance company, federal or state savings and loan association, real estate or mortgage investment trust, or other lender who makes residential mortgage loans in the ordinary course of its business and is generally recognized in the community as an institutional lender.

1.17 "Institutional Mortgagee" shall mean and refer to the holder of any Institutional Mortgage.

1.18 "Lot" shall mean and refer to each separate parcel described on Exhibit "D" attached hereto or any other property designated as a Lot in any Supplemental Declaration, as each may be amended from time to time, together with any improvements which may be constructed thereon.

1.19 "Management Company" shall mean and refer to the person, firm, or other entity employed by the Association as its agent to assist it in fulfilling or carrying out certain duties, powers, obligations or functions of the Association.

1.22 "Members" shall mean and refer to any Persons who are entitled to membership in the Association, as provided in Article 4 hereof.

1.23 "Notice and Hearing" shall mean and refer to written notice and a public hearing, before a tribunal appointed by the Board, at which the Owner charged with a particular offense shall have an opportunity to be heard in person or by counsel at such Owner's expense and as otherwise provided in the Bylaws.

1.24 "Owner" shall mean and refer to a record owner of any percentage of the fee simple interest in a Lot, including Developer, but excluding those Persons having an interest in a Lot merely as security for the performance of an obligation. If a Lot is owned by more than one Person, the term Owner shall mean each such Person, jointly and severally.

1.25 "Person" shall mean and refer to any of an individual, corporation, governmental agency, trust, estate, partnership, association, two or more persons having a joint or common interest, or any other legal entity with the legal right to hold title to real property.

1.26 "Plat" shall mean and refer to (a) that certain plat of P.A. at WEST SUNSET, according to the Plat thereof, as recorded in Plat Book 147, at Page 61 of the Public Records of Miami-Dade County, Florida; (b) that certain plat of PEDRO ALBERTO SUBDIVISION, according to the Plat thereof, as recorded in Plat Book 150, at Page 81 of the Public Records of Miami-Dade County, Florida; and (c) that certain plat of PEDRO ALBERTO SUBDIVISION REPLAT, according to the Plat thereof, as recorded in Plat Book 153, at Page 57 of the Public Records of Miami-Dade County, Florida.

1.27 "Properties" shall mean and refer to all existing properties, and 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.

1.28 "Residential Property" shall mean and refer to all real property within the Property which is not Common Properties, and which is not otherwise dedicated, restricted or limited for non-residential use. Residential Property shall be limited to that real property which is owned individually by the residents and used for habitation. The Initial Residential Property shall consist of the Lots shown on Exhibit "D" attached hereto, as amended from time to time.

1.29 "Rules" shall mean and refer to the rules and regulations which are duly adopted by the Association from time to time.

1.30 "Special Assessment" shall mean and refer to a charge against all Owners and their Lots, representing their proportionate share of the cost incurred by the Association for: (i) reconstruction on the Common Properties pursuant to the provisions of this Declaration; (ii) installation or construction of any capital improvements on any portion of the Common Properties which the Association may from time to time authorize; or (iii) any other extraordinary expense of the Association, including, but not limited to, amounts necessary to pay shortages in Common Expenses of the Association after collections of Common Assessments, as all are further described in Section 6.06 hereof.

1.31 "Subdistrict" shall mean and refer to separately designated, developed residential areas comprised of various types of housing activity which initially or by amendment are made subject to this Declaration; for example, and by way of illustration and not limitation, fee simple townhomes, single family detached houses; and zero lot homes. In the absence of specific designation of separate Subdistrict status, all Properties made subject to this Declaration shall be considered a part of the same Subdistrict; provided, however, the Developer may designate in any Supplemental Declaration that certain properties subject to the Declaration or new property shall constitute a separate Subdistrict or Subdistricts; and provided, further, by a two-thirds (2/3) vote, the Board of Directors may also designate Subdistrict status to any area so requesting.

1.32 "Subdistrict Assessments" shall mean assessments for common expenses of a Subdistrict which shall be levied by a Subdistrict's Sub Association in accordance with the terms and conditions of a Supplemental Declaration and any Sub Association created thereby and which shall be used for the purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Residential Units against which the specific Subdistrict Assessment is levied and of maintaining the properties within a given Subdistrict, and the operation of any Sub Association created pursuant to any Supplemental Declaration.

1.33 "Sub Association" shall mean the not for profit corporation created for the purpose of operating a Subdistrict.

1.34 "Supplemental Declaration" shall mean and refer to any declaration of covenants, restrictions and easements which may be recorded by Developer for the purpose of declaring certain portions of the Property as a Subdistrict.

1.35 "Voting Member" shall mean and refer to the representative of each Subdistrict who shall be responsible for election of directors of the Association, amending this Declaration or the By-Laws of the Association, and all other matters provided for in this Declaration. The Voting Member from each Subdistrict shall be the senior elected officer (e.g., Subdistrict Committee chairman or sub association president) from that component; the alternative Voting Member shall be the next most senior officer. Each Voting Member shall be entitled to cast as many votes as equals the number of Lots or Units he or she represents in their Subdistrict.

The foregoing definitions shall be applicable to this Declaration, as amended from time to time, and also to any Supplemental Declaration, unless specifically stated to the contrary herein or therein.

Article II
PROPERTY SUBJECT TO THE DECLARATION; ADDITIONS THERETO

2.01 Legal Description. The real property which, initially is and shall be held, transferred, sold, conveyed and occupied subject to the Declaration is located in Miami-Dade County, Florida, and is more particularly described in Exhibit "A" attached hereto and made a part hereof, all of which real property (and all improvements thereto), together with additions thereto, but less any withdrawals therefrom, is herein referred to collectively as "The Properties".

2.02 Supplements. In accordance with Developer's current intention (but not obligation) to increase the land constituting The Properties from time to time in "phases", so long as the Class "B" Membership exists, Developer may from time to time subject other land, under the provisions hereof by recorded supplemental declarations which shall not require the consent of the then existing Owners, the Association or any mortgagee other than that, if any, of the land intended to be added to the Properties and thereby add to The Properties. To the extent that such additional real property shall be made a part of The Properties, reference herein to The Properties shall be deemed to be reference to all of such additional property where such reference is intended to include property other than that legally described above. Nothing herein, however, shall obligate Developer to add to the initial portion of The Properties, to develop any such future portions under a common scheme, nor to prohibit Developer (or the applicable Developer-affiliated Owner) from rezoning and changing plans with respect to such future portions.

All Owners, by acceptance of a deed to or other conveyance of their Lots, shall be deemed to have automatically consented to any such rezoning, replatting, covenant in lieu of unity of title, change, addition or deletion thereafter made by Developer (or the applicable Developer-affiliated Owner) and shall evidence such consent in writing if requested to do so by Developer at any time (provided, however, that the refusal to give such written consent shall not obviate the general and automatic effect of this provision). In furtherance of the plan of development by addition, deletion or modification so as to reflect any unique characteristics of the neighborhood identified therein; provided, however, that no such variance shall be directly contrary to the uniform scheme of development of The Properties. NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, THE FUTURE DEVELOPMENT PROPERTY SHALL NOT BE DEEMED BURDENED BY THE TERMS AND CONDITIONS OF THIS DECLARATION UNLESS AND UNTIL SAME (OR ANY PORTION THEREOF) IS BROUGHT HEREUNDER BY A SUPPLEMENTAL DECLARATION DULY EXECUTED AND RECORDED IN THE PUBLIC RECORDS OF THE COUNTY.

2.03 Withdrawal. So long as the Class "B" Membership exists, Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, 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) and mortgagee(s) of such land.

Article III
ASSOCIATION'S RIGHTS; EASEMENTS

3.01 Owner's Easements of Enjoyment. Every Owner shall have a non-exclusive, common right and easement of ingress and egress and of enjoyment in, to and over, and use of, the Common Properties, which shall be appurtenant to and shall pass with title to every Lot, subject to the following conditions:

A. The right of the Association to reasonably limit the number of guests or invitees of Owners using the Common Properties at any one time.

B. The right of the Association to establish Rules pertaining to the use of the Common Properties, including, but not limited to, the right and obligation of the Association to enforce all parking and other restrictions within the Common Properties.

C. The right of the Association, in accordance with the Articles, Bylaws and this Declaration, to borrow money for the purpose of improving the Common Properties, in aid thereof, to mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of such mortgagee shall be subordinate to the use rights of the Owners.

D. The right of the Association to suspend the right of an Owner to use the Common Properties (except for purposes of ingress and egress) for any Owner, except Developer, for: (i) any period during which any Assessment against an Owner's Lot remains unpaid and delinquent in excess of 90 days; and (ii) a reasonable period of time for any other single infraction of this Declaration or the Rules of the Association, provided that any suspension of such rights to use the Common Properties based upon infractions other than non-payment of Assessments shall be made only by the Board after notice of at least 14 days to the person 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 who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of any officer, director or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.

E. The right of the Association or Developer to dedicate, grant, release, convey, alienate or transfer all or any part of the Common Properties to any public agency, authority, utility or private party or entity.

F. The right of Developer (and its sales agents, customers and representatives) to the non-exclusive use of the Common Properties and the facilities thereof, without charge, including ingress and egress, as necessary, for purposes of sales, marketing, advertising, display, signs, access construction, development and any other activities or purposes.

G. The right of the Association or Developer to construct, replace or refinish any improvement or portion thereof upon the Common Properties, in accordance with the provisions of this Declaration.

H. The right of the Association to replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the Common Properties.

I. The right of the Association or Developer to grant such other easements over the Common Properties as Developer deems appropriate, which easements shall be joined in or similarly granted by the Association as requested by Developer or sought by the Association.

Anything to the contrary herein notwithstanding, no action authorized in the lettered paragraphs above shall be taken which in any fashion impairs or limits Developer's rights hereunder without the prior written consent of Developer, as long as Developer owns any portion of the Residential Property.

3.02 Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Properties and facilities to the members of the Owner's Family, in accordance with the Bylaws. Any Owner may so delegate such rights to the Owner's tenant(s) who reside on the respective Lot, subject to the Rules and other reasonable regulations imposed by the Board.

3.03 Waiver of Use. No Owner may be exempt from personal liability for Assessments duly levied by the Association or any Sub Association, or cause a release of the Lot owned by the Owner from the liens and charges hereof, by waiver of the use and enjoyment of the Common Properties or by abandonment of the Owner's Lot.

3.04 Title to the Common Properties. After all improvements anticipated to be constructed in the Residential Property have been constructed and conveyed to purchasers, or sooner at the option of Developer, Developer shall convey to the Association by quit-claim deed the fee simple title to the Common Properties under its control, and to each Sub Association, the Common Properties under its control pursuant to any Supplemental Declarations, and the Association (or Sub Association, as the case may be) shall be bound to accept said conveyance without the joinder to such deed. Developer, and thereafter the respective association, shall hold title to the Common Properties for the benefit of those Persons entitled to use same under the provisions hereof and of any Supplemental Declarations. Developer may mortgage the Common Properties to finance the original development and construction thereof, provided that the Common Properties shall be free

21103PG1285

and clear of all mortgages at the time of conveyance to the respective association, and the respective association shall not be personally liable for payment of the debt secured by such mortgage(s).

3.05 Access. Developer reserves unto itself, including its designees from time to time, and hereby grants to the Association, and all Owners, including their respective tenants, guests and invitees, perpetual, non-exclusive easements of ingress and egress over and across any private streets, sidewalks and access ways constructed on the Common Properties from time to time.

3.06 Utilities. The Property shall be subject to such non-exclusive easements as may be determined in the sole discretion of Developer for utilities, including, but not limited to, water, sewer, telephone, electric and cable television, as may be reasonably required to properly and adequately serve the Property or other portions of the Project as it exists from time to time. Developer reserves the right to locate water, sewer, electric, and other utility meters serving any buildings or other facilities in one common location on one Lot, and in that event an easement shall exist for the common meters so constructed, and any wires, pipes, or other facilities connecting such meters to the Lots, and for the maintenance and repair of the foregoing and for the reading of such meters. Each of said easements, whether now in existence or hereafter created, shall constitute covenants running with the Property and, notwithstanding any other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with the proper and intended use thereof.

3.07 Developer. Developer hereby reserves such non-exclusive easements as are necessary (in Developer's reasonable discretion) in order to exercise its rights hereunder and otherwise construct, develop and market the Property. The Property shall be subject to any and all such easements deemed necessary by Developer. Any easement rights created by this Declaration, generally or specifically, in favor of Developer may be assigned by Developer, partially or otherwise, without the consent or joinder of the Association or the Owners.

3.08 Services. Developer hereby grants to courier or delivery services, pick-up and fire protection services, police and other authorities of the law, United States mail carriers, representatives of electrical, telephone, cable television and other utilities authorized by Developer to service the Property, and to such other persons as Developer from time to time may designate, the non-exclusive, perpetual right of ingress and egress over and across the Common Properties for the purposes of performing their authorized services and investigation.

3.09 Lot Line Encroachments. Certain dwellings and other improvements constructed on Lots may be situated so that a portion thereof, including, without limitation, any exterior wall of such dwelling, roof overhangs, gutters, or fences, may be located upon, immediately adjacent to, overhang, or encroach upon the boundary line (as well as that portion of the adjoining Lot or Common Properties subject to such encroachment) between the Lot upon which said dwelling is located and either an adjoining Lot or a portion of the Common Properties. In all such cases, said adjoining Lot or portion of the Common Properties shall be subject to an easement and appurtenant rights, including the right of ingress and egress, in favor of the encroaching Lot and its respective Owner, which easement and appurtenant rights shall be for the purpose of (a) permitting the existence of the encroachment, and (b) allowing ingress and egress for the performance of proper and normal maintenance to the encroaching improvement, including meter reading. All of such improvements which have been constructed by Developer and approved by applicable building authorities are deemed to have been reasonably constructed, notwithstanding any such encroachment. In no instance shall the exercise of any such easement and appurtenant rights created pursuant to this Section 3.09 unreasonably interfere with the use of the Lot subject to same.

3.10 Association/Sub Association. Non-exclusive easements are hereby granted in favor of the Association, and/or each Sub Association as necessary, throughout the Property as may reasonably be necessary for the Association, and/or each Sub Association as necessary, to perform its services required and authorized hereunder, so long as none shall unreasonably interfere with the use of any Lot. Furthermore, an easement is hereby granted in favor of the Association, and/or each Sub Association as necessary, including its agents, for purposes of (i) maintaining landscaped areas within the front yards of each Lot, and (ii) irrigating any and all portions of each Lot pursuant to a common scheme which shall be determined by the Association, and/or each Sub Association as necessary, from time to time. All easement rights granted hereunder to the Association, shall be deemed to have been similarly granted in favor of a Sub Association, as necessary.

21103PG1286

3.11 Execution. If and to the extent that the creation of any of the easements described in this Article III requires the joinder of Owners, then Developer may, by its duly authorized officers, as the agent or the attorney-in-fact for the Owners, execute, acknowledge and deliver such instruments required. The Owners, by the acceptance of deeds to their Lots, irrevocably nominate, constitute and appoint Developer, through its duly authorized officers, as their proper and legal agent or attorney-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable. Any such instrument executed pursuant to this Article III shall recite that it is made pursuant to Article III of this Declaration.

3.12 Survival. Any and all easements, licenses, or other rights granted or reserved pursuant to this Article III shall survive any termination of this Declaration.

Article IV MEMBERSHIP IN ASSOCIATION

4.01 Membership. Every Owner of a Lot, including Developer, shall be a Member of the Association (hereinafter referred to as the "Membership"). Membership in the Association shall be appurtenant to and may not be separated from the Lot. Ownership of a Lot shall be the sole qualification for Membership in the Association.

4.02 Co-Ownership of Lots. When more than one Person owns an interest in any Lot (a "Co-Owner"), all such Co-Owners shall be Members. All Co-Owner(s) shall be jointly and severally responsible for all of the obligations imposed upon the Lot and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association shall be binding on all Co-Owners, their successors and assigns. Said voting rights shall be subject to the restrictions and limitations provided in this Declaration, any Supplemental Declaration, and in the Articles and Bylaws (to the extent applicable).

Article V VOTING RIGHTS

5.01 Classes of Voting Membership. The Association shall have two (2) classes of Members, with voting rights as follows:

Class "A". Class A Members shall be all those Owners defined in Paragraph 4.01 above, with the exception of the Developer (as long as the Class "B" Membership shall exist, and thereafter, the Developer shall be Class "A", to the extent that it would otherwise qualify.) Except as provided below, Class "A". Members shall be entitled to one (1) vote for each Lot or Unit. For purposes of the Association, such votes shall belong to and be voted by the Voting Member from each Subdistrict created hereunder and not by any individual Member. The Voting Member or alternate Voting Member casting the vote shall be presumed to have the authority to do so unless the Secretary is otherwise notified. Except only as provided in the following subparagraph with respect to the Developer, in no event shall more than one (1) vote be cast with respect to any Lot or Unit.

Class "B". The Class "B" Member shall be 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 by Class "A" Members. The Class "B" Membership (Developer's weighted vote) ceases and converts to Class "A" Membership upon the earlier of the following:

- (a) Seventy-five (75%) Percent of the Lots or Units are deeded to homeowners; or
- (b) On October __, 2002 or
- (c) termination of the Class B Membership by resignation of all Developer appointed directors and delivery to the Secretary of the Association of a certificate in recordable form, signed by Developer and stating that Developer elects to terminate the Class B Membership.

5.02 Termination of Class B Membership. Upon termination of the Class B Membership, Developer shall retain any voting rights it may have as a Class A Member. The Developer shall also relinquish all rights granted to Developer pursuant to Sections 2.02, 2.03, 3.01(D) (E) (G) & (I), 3.05 and 3.06.

**Article VI
FUNCTIONS OF THE ASSOCIATION**

6.01 Through Board Action. The affairs and decisions of the Association shall be conducted and made by the Board; the Voting Members shall only have such power or rights of approval or consent as is expressly specified herein, or in the Articles or Bylaws. In the absence of a specific requirement of approval by Voting Members, the Board may act on its own through its proper officers.

6.02 Required Services. In addition to those other responsibilities specified in the Articles or Bylaws, the Association, or its Management Company, if applicable, shall be required to provide with regard to the Common Properties within its control, the following services as and when deemed necessary and appropriate by the Board and shall have easement rights necessary to perform same:

A. All painting and maintenance of the Common Properties, and all improvements thereon, as and when deemed necessary by the Board.

B. Maintenance and care for all landscaped areas within the Common Properties, and maintenance of irrigation equipment wherever placed to the extent irrigation facilities have been installed by Developer on the Common Properties. The Board shall be entitled to determine, in its sole discretion and without notice to any Owner, the time of day or night that various portions of the Common Properties will be irrigated.

C. Maintenance of any and all lakes, streets, roads, driveways, sidewalks, paths and entry features, perimeter fences, road and Lot drainage, including curbs, gutters, storm sewers and swales, throughout the Common Properties which have not been dedicated to the public or any governmental body or are not deeded to and the maintenance responsibility of any Sub Association.

D. Payment of ad valorem and commercial personal property taxes, if applicable, with respect to the Common Properties, both prior to and after conveyance of same by Developer to the Association. This provision for payment of taxes prior to conveyance of legal title is fair in light of the Members' use and benefit of such property by virtue of easements created herein.

E. Operation of the Common Properties and the Association in accordance with the Articles, the Bylaws and the Rules and other standards adopted by the Board from time to time, both prior to and after conveyance of same by Developer to the Association.

F. Taking any and all actions necessary to enforce all covenants, restrictions and easements under this Restated Declaration and performing any of the functions or services delegated to the Association under this Restated Declaration or in the Articles or Bylaws.

G. Conducting the business of the Association, including arranging for ancillary administrative services such as legal, accounting and financial, and communication services such as informing Owners of activities, notice of meetings, and other important events.

H. Purchasing insurance as may be required hereby or by the Bylaws and any other insurance to the extent deemed necessary or desirable by the Board.

I. Acceptance of any instrument of conveyance with respect to any Common Properties delivered to the Association by Developer.

J. Painting and maintenance of the exterior walls, privacy walls, and perimeter fences on the Common Properties.

6.03 Authorized Services. The Association shall be authorized, but not required, to provide the following functions and services throughout the Common Properties under its control and shall have easement rights necessary to perform same:

A. Lighting of roads, sidewalks, walks and paths throughout the Property;

B. Fire protection and prevention with regard to the clearing and collection of dead trees, plants, bushes, shrubs, leaves, or grass on the Common Properties,

21103PG1288

and the placement and maintenance of fire alarms and extinguishers in areas deemed necessary to have such by the Board;

C. Garbage and trash collection and disposal to the extent not otherwise done by a Sub Association;

D. Conducting recreation, sport, craft and cultural programs of interest to Owners, including their families, tenants, guests and invitees;

E. Protection and security, including, but not limited to, the employment of stationary or patrolling security guards within the Property and operation of a guardhouse;

F. Maintenance of electronic and other surveillance devices;

G. Installation, operation and maintenance of cable television facilities, or other communication systems throughout the Property;

H. Such other services as are authorized in the Articles or Bylaws;

I. Clean-up, landscaping, maintenance, dredging, water treatment or other care of canals, roads or other property (public or private) adjacent to the Property to the extent such care would, in the reasonable determination of the Board, be beneficial to the Property and to the extent that the Association has been granted the right to so care for the affected property by the owner thereof or other person authorized to grant such right, including, but not limited to, any appropriate governmental authority;

J. Emergency repairs and other work on Lots reasonably necessary for the proper maintenance of the Property, to the extent same is not done by a Sub Association.

6.04 Subdistrict Maintenance. The Association may, in the discretion of its Board should it wish to assume such responsibility, and then only upon the unanimous consent of the Board of Directors of the Sub Association that is responsible for such maintenance responsibilities, assume the maintenance responsibilities set out in this Declaration or in any Supplemental Declaration subsequently recorded which creates any residential association or Subdistrict upon any portion of the Property. In such event, all costs of such maintenance shall be assessed only against those Members residing in the Subdistrict to which the services are provided. This assumption of responsibility may only take place upon the request of the Board of the Subdistrict Sub Association, it being the intent hereunder that each Sub Association shall have exclusive rights and control of the operation of the Subdistrict, to the exclusion of the Association hereunder, unless otherwise provided herein or in any Supplement Declaration, and that all of the rights, duties and obligations of the Association hereunder shall inure the benefit of the Sub Association as to matters within a specific Subdistrict. The Association hereunder shall have jurisdiction over those matters that affect the Property as a whole, such as the lakes that encumber more than one Subdistrict and the perimeter fences, landscaping and berms abutting such lakes on the boundaries of more than one Subdistrict, but shall not have the authority to interfere with matters solely affecting a particular Subdistrict. Such matters shall be under the sole jurisdiction and governance of the Subdistrict's Sub Association, and such Sub Association's board of directors and Members. The above notwithstanding, a particular Sub Association's Board of Directors may, by unanimous consent of its directors, elect to delegate the ability to negotiate certain contracts and activities, such as landscaping, maintenance, insurance, security contracts and the like, to the Association so that the respective Sub Association may obtain a more favorable rate or terms, and such delegation of duties shall be accepted by the Association, and the cost of such services shall be apportioned prorata to the Members based on the number of units included in such service contract. The provision of services in accordance with this Section shall not constitute discrimination within a class.

Article VII COVENANT FOR ASSESSMENTS

7.01 Obligation for Assessments. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree, to pay to the Association: (a) annual Common Assessments for Common Expenses; (b) Individual Assessments; and (c) Special Assessments, all of which are hereinafter collectively described as the "Assessments." Subdistrict Assessments shall be levied against Residential Units in particular portions of the Properties or in residential associations for whose benefit Common Expenses are incurred which benefit less than the Association as a whole. All Assessments are to be imposed and collected as hereinafter provided. The

obligation of each Lot and Owners thereof for its respective Assessments shall commence the day on which title to the Lot is conveyed to Developer or to Developer's first purchaser thereof (in accordance with Developer's contractual obligation with the Project's developer) and shall be prorated from such date. All Assessments, together with interest, costs, late charges and reasonable attorneys' fees for the collection thereof, shall be a charge on each Lot (except for Developer-owned Lots) and shall be a continuing lien thereon as more particularly described in Article VIII hereof. Each Assessment, together with interest, costs, late charges and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the Assessment fell due. Subject to the provisions of this Declaration protecting Institutional Mortgages, the personal obligation for delinquent Assessments shall be the joint and several obligation of such Owner and the successors-in-title to such Owner.

7.02 Common Assessments. The Common Assessments levied by the Association shall be used exclusively to pay Common Expenses. Disbursements shall be made by the Board of Directors for such purposes as are deemed necessary for the discharge of its responsibilities herein for the common benefit of the Owners and to reimburse Developer for any start-up expenses advanced by Developer.

7.03 Amount of Common Assessments; When Payable. At least ten (10) days prior to the beginning of each fiscal year, the Board of Directors shall prepare, adopt and distribute to all Members a written, itemized, estimated budget of the Common Expenses to be incurred by the Association during the coming year in performing its functions under this Declaration, and shall separately list general and Subdistrict expenses, if any. The annual Common Assessment for each Lot shall equal the amount of the estimated operating budget, as adopted pursuant to the Bylaws (less any surplus or plus any deficit from prior years), divided by all Lots. From time to time during the fiscal year, the Board may modify the budget for the fiscal year and, upon written notice to Members, change the amount, frequency, or due dates of Common Assessments. Subject to the right of the Association to accelerate Assessments for delinquencies as provided herein, annual Common Assessments shall be payable in full in advance unless determined by the Board, from time to time, to be payable more frequently. In the event any Assessments for Common Expenses are made payable in equal periodic payments, as provided in the notice from the Association, such periodic payments shall automatically continue to be due and payable in the same amount and frequency unless and until (i) the notice specifically provides that the periodic payments will terminate or change upon the occurrence of a specified event or date or the payment of the specified amount, or (ii) the Association notifies the Owner in writing of a change in the amount and/or frequency of the periodic payments. In no event shall any assessments for Common Expenses be due less than ten (10) days from the date of the notification of such Assessments. The budget and Assessment procedure shall be further subject to the provisions of the Bylaws.

7.04 Developer's Assessments. Notwithstanding anything herein to the contrary, prior to termination of the Class B Membership, Developer shall have the option, in its sole discretion, to (i) pay assessments on the Lots owned by it, (ii) pay assessments only on certain designated Lots, (e.g., those under construction or those containing a Unit for which a certificate of occupancy has been issued) or (iii) 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 the Developer and any other income receivable by the Association. The deficit to be paid under option (iii), 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. If Developer at any time elects option (ii), above, it shall not be deemed to have necessarily elected option (i) or (iii) as to the Lots which are not designated under option (ii).

7.05 Individual Assessments. Any maintenance, repair, or replacement within the Property under control of the Association arising out of or caused by the willful or negligent act of an Owner, including the Owner's family, tenants, guests or invitees, shall be effected at the Owner's expense and an Individual Assessment therefor shall be made against the Owner's respective Lot, to the extent proceeds of insurance are not collected with respect to such loss. Additionally, any fine imposed by the Board in accordance with the Bylaws or other expense of the Association incurred as a result of any Owner's failure to comply with the provisions of this Declaration, the Articles, Bylaws, or Rules, shall be charged to such Owner and the Owner's respective Lot as an Individual Assessment.

7.06 Special Assessments. In addition to the Common and Individual Assessments authorized above, the Board may levy at any time, in accordance with the Bylaws, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a structure or capital improvement, upon the Common Properties, including fixtures and personal property related thereto, or for defraying any other Common Expenses of the Association not originally budgeted, including shortfalls in Common Assessments. No action authorized in this Section 7.06 shall be taken without the prior written consent of Developer as long as Developer owns any Lot. Such consent may be granted on the condition that the Special Assessment only be applied to Owners and Lots other than Developer and Developer-owned Lots, in which event Developer and Lots owned by them shall be exempt from such Special Assessment. Special Assessments are not covered by Developer's funding of the deficit set forth in Section 7.04 hereof.

7.07 Notice for any Special Assessment. Written notice of any meeting of Voting Members called for the purpose of authorizing a Special Assessment, or as part of an annual meeting of Voting Members, shall be sent to all Voting Members not less than ten (10) days, nor more than sixty (60) days, in advance of the meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding scheduled meeting.

7.08 Proportionate Share of Assessment. Common Assessments and Special Assessments provided for in this Article VII shall be allocated and assessed equally among all Lots required to make such payments, pursuant to Section 6.03 hereof.

7.09 Working Capital Contribution. Each Owner who purchases a Lot from Developer shall pay to the Association at the time legal title is conveyed to such Owner a "Working Capital Contribution." The Working Capital Contribution shall be an amount equal to a two months' share of the annual Common Assessment applicable to such Lot pursuant to the initial Budget (which may be different from the Budget in effect at the time of closing.) The purpose of the Working Capital Contribution is to insure that the Association will have cash available for initial start-up expenses, to meet unforeseen expenditures or to acquire additional equipment and services deemed necessary or desirable by the Board. Working Capital Contributions are not advanced payments of Individual Assessments and shall have no effect on future Individual Assessments.

7.10 Assessment Roster and Notices. The Association shall maintain a roster of the amount of all Assessments against each Lot, which shall be calculated in accordance with this Article VII. The roster shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of such Assessments and the due date(s) thereof shall be sent to every Owner subject to such Assessments. The Association shall, upon reasonable request of any Owner, furnish to such Owner or any prospective purchaser or the purchaser's mortgagee a certificate in writing signed by an officer of the Association setting forth the amount of current Assessments and whether any delinquencies exist. Such certificate may be relied upon by any prospective purchaser or mortgagee named in the certificate and, as to such purchaser or mortgagee shall be conclusive as to the information set forth therein.

7.11 Due Dates for Special or Individual Assessments. Any Individual Assessment or Special Assessment shall be payable pursuant to written notice to each Owner by the Board, unless any such Assessment is deemed by the Association to be of an emergency nature, in which case such Assessment shall be payable within ten (10) days after notice thereof.

Article VIII EFFECT OF NON-PAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION

8.01 Effect of Non-Payment of Assessments; Remedies of the Association. A lien is hereby imposed upon each Lot to secure the payment of all Assessments now or hereinafter imposed on the Lot by the Association or any Sub Association which levies a Subdistrict Assessment on Lots within its Subdistrict (the "Assessment Lien"). The Assessment Lien shall relate back to and be effective from the date hereof, and shall include all costs of collection, including reasonable attorneys' and legal assistants' fees and costs incurred at all tribunal levels, as well as late charges and interest as herein provided. Any installment of a Common Assessment, Individual Assessment, or Special Assessment not paid within the time periods as provided in Sections 7.03 and 7.11 hereof shall bear interest from the due date of such installment at the highest rate of interest allowed to be charged under applicable law, or any greater interest which may be lawfully charged under any amendments to applicable law, or if no such rate is applicable, then at the rate of eighteen percent (18%) per annum computed from the due date until such payment is made. If any installment of an

Assessment is not paid when due, as extended by grace periods provided hereunder, the Owner responsible therefor may be required further by the Board to pay a late charge equal to an amount not greater than the amount of the unpaid installment. The Association, or any Sub Association in the case of an assessment levied by a Sub Association, may bring an action at law against the Owner(s) personally obligated to pay the same, or foreclose its Assessment Lien against the Lot of such Owner(s), or both. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Properties or abandonment of his Lot. If any installment of a Common Assessment is not paid within when due, as extended by grace periods provided hereunder, the Board may mail an acceleration notice to the Owner and to each Institutional Mortgagee which has requested in writing a copy of the notice. The notice shall specify (i) the fact that the installment is delinquent, (ii) the action required to cure the default, (iii) a date, not less than fifteen (15) days from the date the notice is mailed to the Owner, by which such default must be cured, and (iv) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the Common Assessments for the then current fiscal year. If the delinquent installment(s) of Common Assessments and any charges thereon are not paid in full on or before the date specified in the notice, the Board at its option may declare all of the unpaid balance of the annual Common Assessment to be immediately due and payable upon written notice of such election by the Association or the appropriate Sub Association, which may enforce the collection thereof and all charges thereon in the manner authorized by law and this Declaration.

Any payments made to the Association by any Owner shall be applied or be disbursed by the Association or the appropriate Sub Association, in order, for (i) any sums advanced and paid by the Association or the appropriate Sub Association for taxes and payment on account of superior mortgages, liens, or encumbrances which may have been advanced by the Association or the appropriate Sub Association in order to preserve and protect its Assessment Lien; (ii) reasonable attorneys' fees and costs incurred by the Association or the appropriate Sub Association incidental to the collection of assessments and other monies owed to the Association or the appropriate Sub Association by the Owner for the enforcement of its Assessment Lien; (iii) interest on any Assessments or other monies due to the Association or the appropriate Sub Association, as provided herein; and (iv) any unpaid Assessments owed to the Association or the appropriate Sub Association with application to the oldest Assessments first.

8.02 Notice of Lien. No action shall be brought to foreclose the Assessment Lien herein created unless at least thirty (30) days has expired following the date a "Notice of Lien" is deposited in the United States mail, certified or registered, postage prepaid, addressed to the Owner of the Lot, and a copy thereof has been recorded by the Association or the appropriate Sub Association in the Public Records of the County. The Notice of Lien must recite a good and sufficient legal description of any such Lot, the record Owner thereof, the amount claimed (which may at the Association's or the appropriate Sub Association's option include interest on the unpaid Assessment at the rate set forth in Section 8.01 hereof, plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said Assessment Lien and late charges), and the name and address of the Association or the appropriate Sub Association as claimant. Such Notice of Lien shall be signed and acknowledged by a duly authorized officer or agent of the Association or the appropriate Sub Association. Filing of the Notice of Lien shall not be a prerequisite to creating the lien (which is created by this Declaration), nor shall the lien's priority be established by such Notice of Lien (priority being based on the date of recording this Declaration, subject to the provisions of Section 8.03 hereof). The Assessment Lien shall continue until fully paid or otherwise satisfied, and shall secure any and all Assessments, costs, charges, interest and reasonable attorneys' fees which accrue subsequent to filing the Notice of Lien.

8.03 Subordination of the Lien to Institutional Mortgages. Anything herein to the contrary notwithstanding, the lien securing Assessments provided for in this Declaration shall be subordinate to the lien of any Institutional First Mortgage, which is arm's-length, made in good faith and not intended to avoid said lien, and recorded prior to the date on which a Notice of Lien is recorded. The sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to foreclosure of such Institutional First Mortgage or deed in lieu thereof (if such Institutional First Mortgage was recorded prior to the recording of a Notice of Lien) shall extinguish the Assessment Lien as to installments and other sums which became due prior to such sale or transfer.

8.04 Foreclosure Sale. The Assessment Lien set forth herein may be foreclosed in the same manner as mortgages are foreclosed under Florida law. The Association or the appropriate Sub Association, through a duly authorized officer or agent, shall have the

21103PG1292

power to bid on the Lot at foreclosure sale, with credit given for the amount of the judgment, and to acquire and hold, lease, mortgage and convey the same.

8.05 Curing of Default. Upon the timely curing of any default for which a Notice of Lien was filed by the Association or the appropriate Sub Association (including payment of all delinquent principal, interest, late charges, and costs of collection), a duly authorized officer or agent of the Association or the appropriate Sub Association shall record an appropriate release of the Assessment Lien upon payment by the defaulting Owner of a fee, to be determined by the Association or the appropriate Sub Association, but not to exceed Two Hundred Fifty Dollars (\$250.00), to cover the cost of preparing and recording such release.

8.06 Cumulative Remedies. The Assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association or the appropriate Sub Association and its assigns may have hereunder and under law or in equity, including a suit to recover a money judgment for unpaid Assessments, as above provided.

Article IX RIGHTS OF INSTITUTIONAL MORTGAGEES

9.01 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 Mortgagees, and to insurers and guarantors of any first Mortgage, for inspection, upon request, during normal business hours or under other reasonable circumstances, current copies of this Declaration (with all amendments) and the Articles, By-Laws 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 of Incorporation 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 holder, insurer or guarantor of a Mortgage on a Unit shall have, if first 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 a mortgaged Lot, (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 Mortgage holders.

(c) Any holder, insurer or guarantor of a Mortgage on a Unit shall have the right to pay, singly or jointly, taxes or other charges that are delinquent and have resulted or may result in a lien against any portion of the Common Areas and receive immediate reimbursement from the Association.

(d) Any holder, insurer or guarantor of a Mortgage on a Unit shall have the right to pay, singly or jointly, any overdue premiums on any hazard insurance policy covering the Common Areas or obtain, singly or jointly, new hazard insurance coverage on the Common Areas upon the lapse of a policy, and, in either case, receive immediate reimbursement from the Association.

(e) Unless at least sixty-six and two thirds (66-2/3rds%) percent of first Mortgagees (based upon one (1) vote for each Mortgage owned), 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 of Incorporation of the Association 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 X MAINTENANCE AND REPAIR OBLIGATIONS

10.01 Maintenance Obligations of Owner. Except for the duty of the Association or in the case of a Subdistrict, such Subdistrict's Sub Association, to provide for maintenance and other services as enunciated in Section 6.02 of this Declaration, it shall be the duty of each Owner, at the Owner's sole cost and expense, to maintain, repair, replace and restore the Lot, including all improvements located thereon in a neat, sanitary and attractive condition, as may be subject to the Owner's respective control in accordance with the terms of this Declaration. In the event that any portion of such Lot (i) falls into disrepair, (ii) is not properly maintained so as to create a dangerous, unsafe, unsightly, or unattractive condition, or (iii) otherwise violates any of the obligations stated in this Declaration, then the Sub Association for the particular subdistrict in which the Lot is situated shall have the right, but not the duty, upon fifteen (15) days prior written notice, to correct such condition and to enter upon such Lot to make such repairs or to perform such maintenance as is required in the Sub Association's reasonable discretion; provided, however, the Sub Association shall have the right of immediate entry with respect to those portions of the Lot lying outside of the house or other enclosed structures in the event of an emergency. The cost thereof shall be charged to the appropriate Owner and shall be an Individual Assessment as to the respective Lot. The Owner of such Lot shall pay promptly all amounts due for such work, pursuant to written notice received from the Sub Association in like fashion to an Individual Assessment. Any costs and expenses or collection may be added, at the option of the Board of Directors, to the Individual Assessment.

10.02 Maintenance Obligations of Association. The Association shall maintain, or provide for the maintenance of, all of the Common Properties and all improvements thereon which are not the responsibility of a Sub Association. The maintenance obligations of the Association shall include all recreational facilities, commonly metered utilities, the interior and exterior of the recreation buildings, and any and all utility facilities and buildings or other structures situated on the Common Properties, except if such facilities are to be maintained by either private or public utility companies, or some governmental agency. In addition, the Association shall provide all necessary landscaping and gardening to properly maintain and periodically replace when necessary the trees, plants, grass and other vegetation which are on the Common Properties. The Association shall further maintain, reconstruct, replace and refinish any paved surface on the Common Properties. All of the foregoing obligations of the Association shall be discharged when and in such manner as the Board shall determine, in its sole judgment, to be appropriate, which shall, at the Board's election. In the case of a Subdistrict, these rights are transferred by the Association to the Sub Association for that subdistrict, to the exclusion of the Association hereunder.

Article XI USE RESTRICTIONS

The Property shall be held, used and enjoyed subject to all of the terms, limitations and restrictions of this Declaration, including this Article XI; provided, however, these restrictions shall be further amplified and/or limited by the Rules. Developer is exempt from all of this Article XI, including the Rules applicable to this Article XI. The Association, acting through its Board of Directors, shall have authority to make and to enforce standards and restrictions governing the use of the Common Properties. Each Sub Association, acting through its Board of Directors, shall have the authority to create and enforce standards and restrictions governing the use of Residential Units and Common Area, including common property within such Subdistrict or residential association, in addition to those contained herein. Each of the Use Restrictions stated hereinafter may be regulated, enforced, or waived by the respective Sub Association, through its Board or its designees. Each use of "Board" in this Article XI shall include the "ARC" (as defined in Article XV hereof) or its designees, unless specifically prohibited in this Declaration or under Florida law. The Use Restrictions are as follows:

11.01 Clothes Lines. No outdoor clothes drying lines or related facilities shall be allowed within any portion of the Residential Property if such are visible from anywhere outside of each prospective Lot. The Board shall have the right to reasonably require each such clothes drying area to be landscaped in a fashion which will camouflage the presence of such clothes drying lines or facilities.

11.02 Trash. No trash or garbage cans, supplies, milk bottles, or other articles shall be placed on front patios, and the Board shall have the right to prescribe a "standard" trash or garbage container to be used by each Owner. To provide a healthy environment and in order to eliminate odors and vermin, all trash and garbage must be placed in plastic bags and deposited only in the areas and on the days designated by the Board. The Common Properties shall be kept free and clear of rubbish, debris, and other unsightly material.

11.03 Automobiles, Commercial Vehicles and Boats. Except as provided below, no commercial truck, commercial van, bus, recreational vehicle, mobile home, motor home, camper, trailer, or similar vehicle may be kept overnight on the Property (the "Prohibited Vehicles") unless totally enclosed in a garage and not visible from the outside. Prohibited Vehicles include, but are not limited to, those (i) bearing any advertising, logo, or other signs or having printed on the sides, front, or rear of same reference to any commercial undertaking or enterprise, or (ii) containing tool racks, saddle racks, or other elements of a commercial nature. No vehicles, unless totally enclosed and in a garage and not visible from the outside, shall be repaired within the Property, except on an emergency basis. No vehicle shall be left within the Property, unless totally enclosed and in a garage and not visible from the outside, for more than one business day if not capable of self-propulsion. All vehicles, including motorcycles, mopeds, etc., shall be equipped with effective sound muffling devices. Except as provided below, no boat or watercraft shall be stored overnight in the Property, unless totally enclosed in a garage and not visible from the outside. The Association may, but shall not be obligated to, designate certain portions of the Common Properties, which may be relocated from time to time, for the parking of trucks, commercial vehicles, buses, recreational vehicles, mobile homes, trailers, boats, and campers. Any such area designated pursuant to this Section 10.03 may, in the sole and absolute discretion of the Association, be terminated for such use without cause. The Association shall have the authority to formulate appropriate Rules concerning the use of any such parking/storage area, including reasonable charges therefor.

11.04 Agents of Association. No Owner or resident may direct, supervise, or in any manner attempt to assert control over the employees or agents of the Association or a Sub Association, unless such person is an officer or director of the Association or Sub Association acting within their scope of authority.

11.05 Construction of Improvements. During construction of any permitted Improvements on a Lot, the Lot and all other portions of the Property shall be kept in a clean, neat and orderly condition at all times. Any debris, trash or mud resulting from the construction shall be promptly removed or remedied, as appropriate, from the Lot and the Property. After commencement of construction of any permitted Improvements on any Lot, the work thereon shall be diligently pursued and completed so that Improvements shall not remain in a partly finished condition for any period of time longer than that which is absolutely required.

11.06 Nuisances. No Owner shall make or permit (i) any loud and/or disturbing noises of a continuing nature, (ii) any noxious or offensive activity, (iii) any emanation of

unpleasant odors, or (iv) any other nuisance or annoyance by himself, his family, employees, agents, visitors, and licensees, nor do or permit anything by such persons that will interfere with the reasonable rights, comforts or conveniences of the Owners. Any ultra-hazardous activity permitted or undertaken by any Owner within any portion of the Property shall be a nuisance, subject to extra protection and/or assurances of safety provided to the Board.

11.07 Antennas. The Association or a Sub Association shall have the general authority to promulgate rules and guidelines regarding the installation of satellite dishes and antennas that comply with the Telecommunications Act of 1996 and future guidelines that may be set forth by the Federal Communications Commission.

11.08 Signs. No sign, advertisement, notice or other lettering (except street numbers in front of Lots or names and addresses on mail boxes) shall be exhibited, displayed, inscribed, painted or affixed, in, on or upon any part of the Property without the written consent of the Board. The Board shall have the right to prohibit any signs offering property for sale or rent, or limit the size of such sign. No Owner shall cause any sign, advertisement, notice or other lettering to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, patios, windows or roof, unless approved by the Board.

11.09 Off-Street Parking. No overnight parking on the streets, nor encroaching on sidewalks or swale areas, shall be permitted, except as may be amended or consented to in writing by the Board.

11.10 Rules and Regulations. There are current Rules of the Association; provided, however, the Association may adopt additional reasonable rules and regulations, or amend or eliminate those operative from time to time, pertaining to the use and maintenance of the Property, including rules and regulations relating to any of the Common Properties.

11.11 Garages. No Owner shall cause any garage on his Lot to be permanently enclosed, converted, or otherwise remodeled to allow for occupancy of any occupants of the Lot, without first obtaining necessary governmental approval(s), as well as prior written approval by the Board.

11.12 Fences. Prior to erecting any type of fence, the homeowner must first obtain approval of the Board which decision is to be based on a review by the ARC. No fences may be erected on any waterfront lots which encroach upon a lake maintenance easement shown on the Plat or otherwise dedicated without obtaining all necessary governmental permits and approvals, as well as approval by the Board.

11.13 Access Control. The Board shall have the right to determine, from time to time, the means of any electronic or manned access control for the Property and the Developer is under no obligation and has not covenanted hereby to provide any such security devices or security personnel for the Property.

11.14 Pets and Animals. Only common household pets belonging to Owners (or those occupying Lots through the authority of Owners), and which pets have been approved by the Board, will be allowed within the Property, subject to the following further restrictions: (1) Only common household pets may be kept in a Lot; (2) No pet shall be permitted outside a Dwelling Unit except on a leash and at all times under the control of its Owner; (3) No other animals, livestock or poultry of any kind shall be kept on any portion of the Property; (4) No pets may be kept for the purpose of breeding or for any commercial purposes whatsoever; (5) No pets shall be allowed to constitute a nuisance; (6) Each Owner shall promptly remove and dispose of waste matter deposited by his pet through a proper sewage receptacle; (7) The Board shall have the right to promulgate Rules further restricting the keeping of pets.

11.15 Emergencies. In case of any emergency originating in or threatening any Lot, the Board or any individual authorized by its shall have the immediate right, but not the obligation, to enter any Lot for the purpose of remedying or abating the cause of such emergency, at the Board's discretion, notwithstanding that the Owner of such Lot is present at the time of such emergency.

11.16 Solicitation. There shall be no solicitation by any person anywhere in the Property for any cause, charity, or any purpose whatsoever, unless specifically authorized by the Board.

11.17 *Insurance.* Nothing shall be done or permitted by any Owner which would increase the rate for any insurance maintained by the Association, or cause such insurance to be cancelled or not renewed by the insurer.

11.18 *No Interference with Construction.* No Owner shall interfere with or impede any of Developer's construction and marketing activities within the Property so long as Developer shall be performing same.

11.19 *Business Use.* No trade or business may be conducted in or from any Lot, except that an Owner or occupant residing in a Lot may conduct business activities within the Lot so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Lot; (b) the business activity conforms to all zoning requirements and other applicable governmental regulations for the Property; (c) the business activity does not involve persons coming on to the Property who do not reside in the Property or door-to-door solicitation of residents within the Property; and (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board. The terms "business" and "trade" as used in this Section 11.19 shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an on-going basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor.

11.20 *Leasing of a Lot.* Lots shall not be leased without the prior written approval of the Association, subject to leasing guidelines established by the Board from time to time. The Board shall have the authority to interview potential lessees and to charge an application fee. All leases shall provide that the Association shall have the right to terminate the respective lease in the event of a default by an Owner's tenant in observing any of the provisions of this Declaration, and applicable Rules duly adopted by the Board from time to time. Notwithstanding the lease of an Owner's Lot or liabilities and obligations of the Owners created hereunder, including the Rules, shall continue unabated.

11.21 *No Temporary Buildings.* No out-buildings, portable buildings, temporary or accessory buildings or structures, storage buildings shall be erected, constructed or located upon any Lot for storage or otherwise, without the prior written consent of the Board.

11.22 *Lakefront Property.* As to all portions of the Project 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, subject to any and all governmental approvals and permits that may be required. No other structure such as a "chikee", etc. may be erected anywhere in the rear of a waterfront lot unless the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Review Committee as to quality of workmanship and materials, harmony of exterior design and color with existing structures, location with respect to topography and finish grade elevation, and as to desirability per se. It is the intention of this instrument to authorize the Architectural Review Committee in its sole discretion to approve or disapprove any such structure on purely aesthetic grounds or any other grounds or for any other reason that there should be no such other structure on the waterfront. The Architectural Review Committee shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph.

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 permitted on the lake which is part of the Common Properties.

C. No solid or liquid waste, litter or other materials may be discharged into/onto or thrown into/onto the 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.

11.23 *Exceptions.* All of the Use Restrictions set forth in Sections 11.01 through 11.22 hereof shall not apply with respect to the customary and usual activities of Developer in connection with its construction, development and marketing of the Property. Without limitation, this shall include:

A. The construction of buildings, or any other improvements within the Property;

B. The sale of residences by Developer or any other person or entity initially constructing residences within any portion of the Property.

Article XII DAMAGE OR DESTRUCTION TO COMMON PROPERTIES

Damage to or destruction of all or any portion of the Improvements on Common Properties as to which the Association controls shall be handled in the following manner. The same provisions shall apply as to any improvements on the Common Properties within the control of a Sub Association and the rights under this paragraph as to a Subdistrict shall be the responsibility of the Sub Association for such Subdistrict and not the Association.

A. In the event of damage to or destruction of Improvements on the Common Properties, if insurance proceeds are sufficient to effect total restoration, then the Association shall cause such Improvements on Common Properties to be repaired and reconstructed substantially as they previously existed.

B. If the insurance proceeds are insufficient to effect total restoration to the Improvements on the Common Properties, then the Members shall determine, by vote of two-thirds (2/3) of Member votes present in person or by proxy at a special meeting of the Members, duly called, whether (1) to rebuild and restore the Improvements on the Common Properties in substantially the same manner as they existed prior to damage and to raise the necessary funds over the insurance proceeds by levying a Special Assessment against all Lots, or (2) to rebuild and restore in a way which is less expensive than replacing these Improvements in substantially the same manner as they existed prior to being damaged, or (3) to not rebuild and to retain the available insurance proceeds. If a decision is made to rebuild in a manner which would result in a change in the Improvements such new plans must receive the written approval of the Board, which may pre-approve plans to be submitted to the Members at a special meeting of Members. Developer and Developer-owned Lots shall be exempt from such Special Assessments, in accordance with Section 7.06 hereof.

C. Each Owner shall be liable to the Association for any damage to the Common Properties which may be sustained by reason of the negligence or willful misconduct of any Owner, as well as the Owner's Family, tenants, guests and invitees, both minor and adult. In addition, the Association shall have the right to charge such Owner an Individual Assessment equal to the increase, if any, in any insurance premium due from the Association directly attributable to the damage caused by such Owner. In the case of Co-Owners of a Lot, defined in Section 3.02 of this Declaration, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be an Individual Assessment against the Lot and may be collected as provided herein for the collection of Assessments.

Article XIII INSURANCE

13.01 *Common Properties.* The Association shall keep all buildings, structures, fixtures and other Improvements located on the Common Properties insured against loss or damage by fire or other casualty for the full insurable replacement value thereof (with reasonable deductibles), 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 Owners. The Association may, but shall not be obligated to, by written agreement with any Subdistrict Committee (as defined in the By-Laws of the Association), assume the responsibility for providing the same insurance coverage on the Properties contained within the Subdistrict. The insurance

coverage with respect to the Common Properties shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds may be used by the Association for the repair or replacement of the property for which the insurance was carried, at the option of the Board. Premiums for all insurance carried by the Association are Common Expenses included in the Common Assessments made by the Association. Premiums for insurance provided to other associations or Subdistricts shall be charged to those associations or Subdistricts.

13.02 Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Properties, the Association shall repair or replace the same from the insurance proceeds available, subject to the provisions of Article XII of this Declaration. A residential association or Subdistrict Committee may impose more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Residential Unit and the standard for returning the Residential Unit to its natural state in the event the Owner decides not to rebuild or reconstruct.

13.03 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, the Management Company, 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.

13.04 Liability and Other Insurance. The Association shall have the power to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief coverage, in such limits as it shall deem desirable, 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 Owner against liability to each other Owner and to the Association and vice versa. The Association may also obtain Workers' Compensation insurance and other liability insurance as it may deem desirable, insuring each Owner and the Association, Board of Directors and Management Company, from liability in connection with the Common Properties, the premiums for which shall be Common Expenses and included in the Common Assessments made against the Owners. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion. The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board and the Management Company against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or any committee thereof.

13.05 Individual Insurance. Each Owner shall be required to maintain property damage insurance on their respective home at all times.

Article XIV ARCHITECTURAL CONTROL

14.01 Architectural Control. All "improvements," as defined in the Covenants, constructed on any portion of the Property by any of the Owners shall be subject to approval, as necessary, required by the Covenants; provided, however, that each Sub Association shall hereby retain the right, to be exercised at any time in the future, at its option, to create an Architectural Review Committee ("ARC") for that Subdistrict in accordance with this Article XIV, whereby, the ARC for that Subdistrict shall create certain building criteria and have the right to require that improvements constructed within the Property situated within the Subdistrict be in compliance with such criteria.

14.02 Members of the Committee. The Architectural Review Committee for each Subdistrict, sometimes referred to in this Declaration as the "ARC," or "Committee," shall initially consist of one (1) person who shall be designated by Developer from time to time. which number of Committee members may be increased by Developer at any time. The Committee member appointed by Developer shall hold office until the Class "B" membership ceases pursuant to Article IV of this Declaration. Thereafter, the Committee in each Subdistrict shall consist of three (3) members from such Subdistrict who shall be appointed by the Board of the Sub Association for that Subdistrict and shall hold office until such time as they shall resign or be removed by the Board of the Sub Association for that Subdistrict. Members of the Committee not appointed by Developer may be removed by the Board at any time without cause.

14.03 Review of Proposed Construction. Subject to Section 14.10 below, no improvement of any kind, including, but not limited to, a fence, wall or other addition, structure, or equipment (including landscaping, awnings, and shutters) shall be installed, painted, erected, removed or maintained within the Property, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to, and approved in writing by, the appropriate Committee, in accordance with the "Community-Wide Standard." The "Community-Wide Standard" shall mean the conduct, maintenance or other activity generally prevailing throughout the Property, but may be more specifically determined by the Board or the ARC, though not inconsistent with any standard created by the Developer. The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Property and that the appearance of any improvement or other structure affected thereby will be in harmony with surrounding structures and improvements and is otherwise desirable. The Committee may condition its approval of proposals and plans and specifications as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may also issue rules or guidelines setting forth procedures for the submission of plans for approval. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval. The Committee shall have thirty (30) days after delivery of all required materials to approve or reject any such plans, and if not rejected within such 30-day period, said plans shall be deemed approved. Any approval of additional landscaping by a Committee may be made on the condition that such landscaping be maintained by and at the sole cost of the Owner of the affected Dwelling Unit. All changes and alterations shall be subject independently to all applicable governmental laws, statutes, ordinances, rules, regulations orders and decrees. Any alteration or modification to the location and/or placement of exterior walls of any Dwelling Unit shall be further conditioned on compliance with City ordinances and the obtaining of applicable governmental approvals, if any.

14.04 Meetings of the Committee. A Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may, from time to time, by resolution unanimously adopted in writing, designate a Committee representative (who may, but need not, be one of its members) to take any action or perform any duties of the Committee on its behalf. In the absence of such designation, the vote of any two (2) members of a Committee shall constitute an act of the Committee.

14.05 No Waiver of Future Approvals. The approval of a Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

14.06 Compensation for Members. The members of a Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

14.07 Liability of the Committee. No member of a Committee (or Developer or the Board which appointed them or any representative designated by the Committee) shall be liable to any Owner or other person by reason of mistake in judgment, failure to point out deficiencies in plans, or any other act or omission in connection with the approval of any plans. Any Owner submitting plans hereunder by the submitting of same, agrees (i) not to seek any damages or make any claim arising out of approval of plans hereunder, and (ii) to indemnify and hold the Committee members (and the Developer and/or Board which appointed them and any representative designated by the Committee) harmless from any cost, claim, damage, expense or liability whatsoever, including attorneys' fees and costs at all tribunal levels, arising out of the approval of any plans regardless of the negligence of the committee members, their representative, or appointing entity.

14.08 Inspection of Work.. Inspection of work and correction of defects therein shall proceed as follows:

A. Upon the completion of any work for which approved plans are required under this Article 14, the applicant for such approval ("Applicant") shall give written notice of completion to the Committee.

B. Within sixty (60) days thereafter, the Committee or its duly authorized representative may inspect such completed work. If the Committee finds that such work was not effected in substantial compliance with the approved plans, it shall notify the Applicant in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Applicant to remedy the same.

C. If, upon the expiration of thirty (30) days from the date of such notification, the Applicant shall have failed to remedy such noncompliance, the Committee shall notify the Board in writing of such failure. Upon proper notice and hearing, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than forty-five (45) days from the date of announcement of the Board ruling. If the Applicant does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying improvement or remedy the noncompliance (an easement therefor being hereby created), and the Applicant shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Applicant to the Association, the Board may levy an individual Assessment against such Applicant for reimbursement.

D. If for any reason the Committee fails to notify the Applicant of any noncompliance within sixty (60) days after receipt of written notice of completion from the Applicant, the improvement shall be deemed to have been made in accordance with the approved plans.

14.09 Developer's Exemption. Anything herein to the contrary notwithstanding, Developer and any builder designated by Developer, and all property owned by any of the foregoing shall be exempt from the provisions of this Article 14. Developer and any builder designated by Developer, shall not be obligated to obtain Committee approval for and construction or changes in construction which Developer or other builder designated by Developer may elect to make.

14.10 Variances. A Committee may authorize variances from compliance with any of the architectural provisions of this Declaration or any Supplemental Declaration when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. Such variance must be evidenced in writing and must be signed by at least two (2) members of the Committee. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or of any Supplemental Declarations for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting his use of the premises, including, but not limited to, zoning ordinances and lot set-back lines or requirements imposed by any governmental or municipal authority.

Article XV SPECIAL COVENANTS

15.01 Preamble. In recognition of the fact that certain special types of platting and/or construction require special types of covenants to accurately reflect the maintenance and the use of the affected Lots and Units, the following provisions of this Article XV shall apply in those cases where the below-described types of improvements are constructed within The Properties, subject, however, to variance pursuant to Section 2.02 of this Declaration. However, nothing herein shall necessarily suggest that Developer or any Builder will or will not, in fact, construct such types of improvements nor shall anything herein contained be deemed an obligation to do so.

15.02 Zero Lot Line, Drainage and Maintenance Easement. When any Lot (the "Servient Lot") abuts another Lot (the "Dominant Lot") on which the exterior wall of a Unit has been or can be constructed against or immediately contiguous to the interior property (perimeter) line shared by the Dominant Lot and the Servient Lot, then the Owner of the Dominant Lot shall have an easement over the Servient Lot, which easement shall be either four (4') feet or six (6') feet in width, depending on the Lot, contiguous to the interior property line and running the length of the improvements on the Dominant Lot abutting the Servient Lot for the following purposes:

(a) For maintenance, repair, replacement, irrigation and drainage;

(b) Of support in and to all structural members, footings and foundations of the Unit or other improvements which are necessary for support of the Unit or other improvements on the Dominant Lot. Nothing in this Declaration shall be construed to require the owner of the Servient Lot to erect, or permit the erection of, additional columns, bearing walls or other structures on its lot for the support of the Dominant Lot;

(c) For entry upon, and for ingress and egress through the Servient Lot, with persons, materials and equipment, to the extent reasonable necessary in the performance of the maintenance, repair, replacement of the Unit or any improvements on the Dominant Lot.

(d) For overhanging troughs, roofs or gutters, downspouts and the discharge therefrom of rainwater and the subsequent flow thereof over the easement area and the Common Areas.

An Owner of a Servient Lot shall have the right to install a gated fence across the easement described above and the owner of the Dominant Lot shall have a right of access through such gate for the purposes of exercising the easement rights granted herein. The air conditioning compressor and the screen enclosure described below for the Servient Lot may also be located within the easement area. Except as set forth herein, an Owner of a Servient Lot shall do nothing on his Lot which interferes with or impairs the use of this easement.

15.03 Party Walls. Each wall and fence, if any, built as a part of the original construction of the Units or Lots within The Properties and placed on the dividing line between the Lots thereof and acting as a commonly shared wall or fence shall constitute a party wall. In addition to the other provisions of this Declaration applicable thereto, party walls shall also be governed by the terms and provisions of this Section 15.03.

(a) Each Owner shall own that portion of the party wall and fence which stands on his own Lot, with a cross-easement of support in the other portion. If a wall or fence separating two (2) Units or Lots, and extensions of such wall or fence, shall lie entirely within the boundaries of one Lot, such wall or fence, together with its extensions, shall also be a party wall and the Owner of the adjacent Lot shall have a perpetual easement to maintain the encroachment. Easements are reserved in favor of all Lots over all other Lots and the Common Areas for overhangs or other encroachments resulting from original construction and reconstruction.

(b) The costs of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore same, but shall not construct or extend same to any greater dimension than that existing prior to such fire or other casualty, without the prior written consent of the adjacent Lot Owner. No part of any addition to the dimensions of said party wall or of any extension thereof already built that may be made by any of said Owners, or by those claiming under any of them, respectively, shall be placed upon the Lot of the other Owner, without the written consent of the latter first obtained. If the other Owner thereafter makes use of the party wall, he shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

Notwithstanding any other provision of this Section, any Owner who, by his negligent or willful act, causes that part of the party wall not previously exposed to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title. Upon a conveyance or other transfer of title, the liability hereunder of the prior Owner shall cease.

(c) Where any one or more dwellings are constructed adjacent to their respective Lot lines, the Owner of the Lot to which it or they are adjacent shall first obtain permission from the appropriate ARC before being permitted to attach a screen enclosure directly to the exterior wall of the dwellings constructed along such Owner's Lot line. If permission is granted, the Owner of the Lot with the screen enclosure shall be obligated to maintain the screen enclosure attachment to the walls, but the Owner(s) of the dwelling(s) to which the screen enclosure is attached shall remain responsible for the maintenance of

their respective walls. Except as provided above, screen enclosures shall not be constructed within the zero-lot line maintenance easement described above.

(d) In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision of a majority of all the arbitrators shall be final and conclusive of the question involved. If a panel cannot be designated pursuant hereto, the matter shall be arbitrated pursuant to the rules of the American Arbitration Association, or its successors in functions. Any decision made pursuant to this Section shall be conclusive and may be entered in any Court of competent jurisdiction in accordance with the Florida Arbitration Code.

Article XVI GENERAL PROVISIONS

16.01 Enforcement. This Declaration, including the Articles, Bylaws and Rules, may be enforced by the Association with regards to the Common Properties within its control; by each Sub Association with regards to the Common Areas (as defined in each Supplemental Declaration) and Residential Property within its Subdistrict, as well as Developer so long as Developer owns any portion of the Property. The Association or a Sub Association, as applicable, shall be empowered with the express authority to levy fines against Owners for non-compliance of any provision set forth in the Declaration, Articles of Incorporation, By-Laws and Rules and Regulations that may be promulgated by the Board of Directors from time to time, provided that the fine may not exceed \$100 per violation. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$1,000 in the aggregate unless otherwise set forth in the Declaration, Articles of Incorporation, By-Laws and Rules and Regulations. A fine or suspension may not be imposed without notice of at least fourteen (14) days to the person sought to be fined or suspended an opportunity for a hearing before a committee of at least three members appointed by the Board who are not officers, directors, or employees of the Association or a Sub Association, or the spouse, parent, child, brother or sister of an officer, director, or employee. If the Board, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. Enforcement by the Association or a Sub Association (and Developer) shall include and be governed by the following:

A. Breach of any of the covenants contained in this Declaration or the Bylaws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by Developer or the Association. Any judgment rendered in any action or proceeding to enforce this Declaration or the Bylaws shall include a sum for attorneys' fees, in such amount as the court may deem reasonable, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

B. The result of every act or omission whereby any of the covenants contained in this Declaration or the Bylaws are violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity with respect to nuisances, either public or private, shall be applicable and may be exercised by Developer or the Association.

C. The remedies herein provided for breach of the covenants contained in this Declaration or in the Bylaws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

D. The failure of the Association to enforce any of the covenants contained in this Declaration or in the Bylaws shall not constitute a waiver of the right to enforce the same thereafter.

E. All remedies provided at law or in equity shall be deemed incorporated herein so as to permit the employment of all remedies permitted under Florida law.

16.02 Severability. Invalidation of any one of these covenants or restrictions or any part thereof by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

16.03 Term. Subject to the amendment provisions of Section 16.05 hereof, this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Association, Developer, and their respective successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for successive periods of ten (10) years, unless an instrument, approved by 75% of the Members and 100% of the Institutional

21103PG1303

Mortgagees 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.

16.04 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of community facilities and Common Properties. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural, the singular and the masculine, feminine and neuter genders shall each include the others. This Declaration shall be read as cumulative to and not in limitation of the Master Covenants. The Board shall be the ultimate interpreter of this Declaration and an opinion of counsel that any such interpretation is not unreasonable shall establish the validity of any such interpretation.

16.05 Amendments. This Declaration may only be amended: (a) by the affirmative vote (at any annual or special meeting of Voting Members) of Voting Members representing not less than seventy-five percent (75%) of the total votes of the Association at any meeting of the Members at which a quorum has been attained. However, no amendment shall be permitted which has a material and adverse effect upon rights of Developer or an Institutional Mortgagee without the prior written consent of Developer or such Institutional Mortgagee, as appropriate. Nothing contained herein shall affect the right of Developer to make such amendments or Supplemental Declarations as may otherwise be permitted herein. This Section 16.05 may not be amended. In the event any amendment is sought other than by Developer, notice shall be given to all Owners and Institutional Mortgagees who have requested notice pursuant to Article VIII hereof at least fourteen (14) days prior to the date of the meeting at which such proposed amendment is to be considered. If any proposed amendment to this Declaration is approved by the Voting Members as set forth above, an authorized officer of the Association shall execute an amendment to this Declaration which shall set forth the terms of the amendment, which shall be effective upon its recording. Such amendment shall be recorded in the Official Records of the County. Amendments made by Developer need be signed only by Developer with no recitation of the items set forth immediately above. In addition, and without limiting the generality of the rights accorded the Class "B" Members in the preceding sentence, the Class "B" Members shall have an absolute right to make any amendments to this Declaration (without any other party's consent or joinder) that are requested or required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, Federal Housing Administration, Veterans Administration or any other governmental, quasi-governmental or government-chartered entity which owns or expects to own one or more mortgages on Lots within The Property or to insure the payment of one or more such mortgages or that are requested or required by any institutional first Mortgagee to enhance the salability of its mortgages on Lots to one or more of the foregoing. Nothing contained herein shall affect the right of the Developer to make whatever amendments or supplemental declarations are otherwise expressly permitted hereby without the consent or approval of any Owner or Mortgagee.

16.06 No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Common Properties to the public, or for any public use.

16.07 Notices. Any notice permitted or required to be delivered as provided herein shall (unless otherwise expressly set forth herein) be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any Person at the address for such Person contained in the records of the Association. Such address shall be used for all purposes, unless changed from time to time by notice in writing to the Association.

16.08 Rights and Obligations of an Owner. All rights and obligations of an Owner, as set forth in the Declaration, Articles of Incorporation or By-Laws, shall also apply to the Family, invitees, licensees, lessees and sublessees of any Owner, and any other permitted user or Occupant of a Lot.

16.09 Disclaimer of Warranties. TO THE MAXIMUM EXTENT LAWFUL AND UNLESS CLEARLY AND ABSOLUTELY PROHIBITED BY LAW, ALL IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY AND HABITABILITY, ANY WARRANTIES IMPOSED BY STATUTE AND ALL

OTHER IMPLIED WARRANTIES OF ANY KIND OR CHARACTER ARE SPECIFICALLY DISCLAIMED. DEVELOPER HAS NOT GIVEN AND OWNER HAS NOT RELIED ON OR BARGAINED FOR ANY SUCH WARRANTIES.

AS TO ANY IMPLIED WARRANTY WHICH CANNOT BE DISCLAIMED ENTIRELY, ALL SECONDARY, INCIDENTAL AND CONSEQUENTIAL DAMAGES ARE SPECIFICALLY EXCLUDED AND DISCLAIMED (CLAIMS FOR SUCH SECONDARY, INCIDENTAL AND CONSEQUENTIAL DAMAGES BEING CLEARLY UNAVAILABLE IN THE CASE OF IMPLIED WARRANTIES WHICH ARE DISCLAIMED ENTIRELY ABOVE).

ALL OWNERS, BY VIRTUE OF THEIR ACCEPTANCE OF TITLE TO THEIR RESPECTIVE LOTS (WHETHER FROM THE DEVELOPERS OR ANOTHER PARTY) SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ALL OF THE AFORESAID DISCLAIMED WARRANTIES AND INCIDENTALS AND CONSEQUENTIAL DAMAGES.

16.10 Developer Exemption. Anything in this Declaration to the contrary notwithstanding, so long as Developer owns any portion of the Residential Property, nothing herein shall be construed to prevent, limit, or impair Developer's right and ability to complete development of the Property in any manner determined by Developer from time to time, including, but not limited to, Developer's right to operate and maintain models, gates, sales and leasing offices, construction activities, promotional activities and signs.

16.11 Information. The Association shall make available for inspection to Owners and Institutional Mortgagees, upon request, during normal business hours, current copies of this Declaration, the Articles, Bylaws, or any Rules concerning the Property, together with the books, records, and financial statements of the Association. The Association shall be empowered with the authority to adopt reasonable rules governing the frequency, time, location, notice and manner of inspections, and shall have the authority to impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying.

16.12 Voidability of Contracts. The Association shall not have the right to cancel any contract, lease, or management agreement entered into by the Association prior to Developer turning over control of the Association to Owners other than Developer, unless the Association has a right of termination "without cause" in such contract, lease, or management agreement, which is exercisable without penalty at any time after transfer of control upon not more than ninety (90) days notice to the other party.

16.13 Assignability of Developer's Rights. The rights of Developer under this Declaration, the Articles, and the Bylaws may be assigned any number of times, in whole or in any part, on an exclusive or non-exclusive basis by written instrument recorded in the public records of the County. Any partial assignee shall not be deemed the Developer, nor shall it be burdened by any of Developer's obligations arising under this Declaration, except as expressly and specifically assigned and assumed. No assignee shall have any liability for any acts of Developer or any prior Developer, prior to the date of assignment or transfer, unless such assignee is assigned and agrees to assume such liability.

16.14 Priority of Documents. This Declaration shall be paramount in those instances of irreconcilable conflict among or between it and the Articles, Bylaws, or Rules, in the absence of any express language indicating which document controls the particular subject matter; the Articles are next paramount, the Bylaws next paramount, and the Rules most subordinate.

16.15 Real Property Covenant. All of the restrictions, reservations, covenants, conditions and easements contained herein constitute covenants running with the land and shall run perpetually unless terminated or amended as provided herein, and shall be binding upon all Owners as herein defined, and in consideration of receiving and by acceptance of any deed, grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions of this Declaration and the Articles and Bylaws. Both the burdens imposed and the benefits derived from this Declaration shall run with each Lot, as herein defined.

16.16 No Partition. Except as is permitted in the Declaration or amendments thereto, there shall be no physical partition of the Common Properties or any part thereof, nor shall any person acquiring any interest in the Properties or any part thereof seek any judicial partition unless the Properties have been removed from the provisions of this Declaration. This Section 15.15 shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

16.17 Modification of Property Plan. Developer reserves the absolute right at any time and from time to time to modify the Property Plan for all or any portion of the Property, and in connection therewith to develop residences upon the Property which are substantially different from the planned residences for the Property from time to time, and in the event Developer changes the type, size, or nature of the residences or other improvements to be constructed upon the Property, Developer shall have no liability thereafter to any Owner. In addition, Developer makes no representations or warranties as to the manner in which any other property outside of the Property will be developed, and shall have no liability to any Owner as regards the development of any other property in or around the Property.

16.18 Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROJECT ARE HEREBY PLACED ON NOTICE THAT DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES MAY BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE PROJECT. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROJECT, 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 PROJECT 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 PROJECT 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 PROJECT.

16.19 Notices and Disclaimers as to Water Bodies. NEITHER DEVELOPER, THE ASSOCIATION, ANY SUB 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 PROJECT, 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 PROJECT 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 WILDLIFE MAY HABITATE OR ENTER INTO THE WATER BODIES WITHIN OR NEARBY THE PROJECT 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.

16.20 Liability of the Association. NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BY-LAWS, ANY RULES OR REGULATIONS OF THE ASSOCIATION, A SUB ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION OR A Sub Association (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS"), THE ASSOCIATION OR Sub Association SHALL NOT BE LIABLE OR RESPONSIBLE FOR, NOR IN ANY MANNER BE DEEMED A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROJECT, INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS, MEMBERS' PERMITEES 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 OR A SUB ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROJECT HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROJECT AND THE VALUE THEREOF;

21103PG1306

B. THE ASSOCIATION OR A SUB 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, THE COUNTY OF MIAMI-DADE AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTUOUS 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 OR A SUB 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 PROJECT (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) SHALL BE BOUND BY THIS SECTION AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSE OF ACTION AGAINST THE ASSOCIATION OR A SUB ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION OR A SUB ASSOCIATION HAS BEEN DISCLAIMED IN THIS SECTION.

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

16.21 HUD/FHA/VA. If any mortgage encumbering any Lot is guaranteed or insured by the Department of Housing and Urban Development, Federal Housing Administration or by the Veterans Administration, then upon written demand to the Association by either such agency, the following action, if made by Developer or if made prior to the improvement of seventy-five (75%) percent of the total Lots which may be located within The Properties and the Future Development Property, must be approved by either such agency: (i) any annexation of property to The Properties other than that which is a part of the Future Development Property; (ii) any mortgage transfer (except for supplements hereto adding portions of the Future Development Property to The Properties encumbered hereby), or dedication of any Common Areas; (iii) any amendment to this Declaration (except for supplements hereto), the Articles or the Bylaws, if such amendment materially and adversely affects the Owners or materially and adversely affects the general scheme of development created by this Declaration; provided, however such approval shall specifically not be required where the amendment is made to add any portion of the Future Development Property, or to correct errors or omissions, or is required to comply with the requirements of any institutional lender, or is required by any governmental authority; or (iv) any merger, consolidation or dissolution of the Association. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any such action to Developer or to the Association within thirty (30) days after a request for such approval (which approval request must include a description of the thirty (30) day limitation) is delivered to the agency by certified mail, return receipt requested, or equivalent delivery, and such approval may be conclusively evidenced by a certificate of Developer or the Association that the approval was given or deemed given.

Developer and the Association have caused this Declaration to be executed as of the date first written above.

Signed in the presence of:

Patricia Alonso
Print Name: PATRICIA ALONSO

Norberto Perez
Print Name: NORBERTO PEREZ

DEVELOPER:

ADRIAN DEVELOPERS CORP., a
Florida corporation

By: [Signature]
Pedro J. Adrian, President

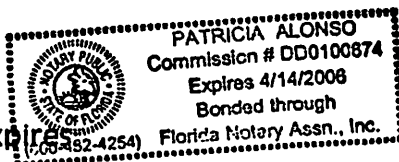
21103PG1307

Patricia AlonsoPrint Name: Patricia Alonso**ASSOCIATION:**PEARL LAKES HOMEOWNERS'
ASSOCIATION, INC., a Florida
corporation not for profitMartín PérezPrint Name: Martín PérezBy: [Signature]

Pedro J. Adrian, President

STATE OF FLORIDA)
) SS:
COUNTY OF MIAMI-DADE)

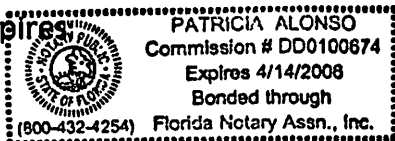
The foregoing instrument was subscribed and sworn to before me this 17 day of Dec., 2002, by Pedro J. Adrian, President of ADRIAN DEVELOPERS CORP., a Florida corporation, on behalf of the Corporation, who is personally known to me, or who has produced _____, as identification, and by the witnesses designated above who are personally known to me.



My Commission Expires _____

Patricia Alonso
SIGNATURE OF NOTARY PUBLIC - STATE
OF FLORIDASTATE OF FLORIDA)
) SS:
COUNTY OF MIAMI-DADE)

The foregoing instrument was subscribed and sworn to before me this 17 day of Dec., 2002, by Pedro J. Adrian, President of PEARL LAKES HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, on behalf of the Corporation, who is personally known to me, or who has produced _____, as identification, and by the witnesses designated above who are personally known to me.



My Commission Expires _____

Patricia Alonso
SIGNATURE OF NOTARY PUBLIC - STATE
OF FLORIDA

21103PG1308

**RULES AND REGULATIONS
FOR
PEARL LAKES HOMEOWNERS' ASSOCIATION, INC.**

1. The Common Areas and facilities, if any, shall not be obstructed nor used for any purpose other than the purposes intended therefor. No carts, bicycles, carriages, chairs, tables or any other similar objects shall be stored thereon.
2. The personal property of Owners must be stored in their respective Lots or in outside storage areas (if any are provided by Developer or approved by the Architectural Review Committee of a Subdistrict).
3. No garbage cans, supplies, milk bottles or other articles shall be placed on the exterior portions of any Lot and no linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, shall be hung from or on the Lot or any of the windows, doors, fences, balconies, patios or other portions of the Lot, except as provided in the Declaration with respect to refuse containers.
4. Employees of the Association are not to be sent out by Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.
5. No motor vehicle which cannot operate on its own power shall remain on The Properties for more than twenty-four (24) hours, and no repair of such vehicles shall be made thereon. No portion of the Common Areas may be used for parking purposes, except those portions specifically designed and intended therefor. Areas designated for guest parking shall be used only for this purpose and neither Owners nor occupants of Units shall be permitted to use these areas. Vehicles which are in violation of these rules and regulations shall be subject to being towed by the Association as provided in the Declaration, subject to applicable laws and ordinances.
6. No owner shall make or permit any disturbing noises on the Lot by himself or his family, servants, employees, agents, visitors or licensees, nor permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Owners. No Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio or sound amplifier or any other sound equipment on his Lot in such a manner as to disturb or annoy other residents (applying reasonable standards). No Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.
7. No electronic equipment may be permitted in or on any Lot which interferes with the television or radio reception of another Lot.
8. No awning, canopy, shutter, enclosure or other projection shall be attached to or placed upon the outside walls or roof of the Home or on the Lot, except as approved by the Architectural Review Committee.
9. No Owner may alter in any way any portion of the Common Areas, including, but not limited to, landscaping, without obtaining the prior written consent of the Architectural Review Committee.
10. No flammable, combustible or explosive fluids, chemicals or substances shall be kept on a Lot or on the Common Areas, except as to gas cylinders permitted under the Declaration.
11. An Owner who plans to be absent during the hurricane season must prepare his Lot prior to his departure by designating a responsible firm or individual to care for his Unit and Lot should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.
12. An Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of his Unit without the prior written approval of the Architectural Review Committee.
13. All persons using any pool on the Common Areas shall do so at their own risk. All children under twelve (12) years of age must be accompanied by a responsible adult. Bathers are required to wear footwear and cover over their bathing suits in any enclosed recreation facilities (if any): Bathers with shoulder-length hair must wear bathing caps while

in the pool, and glassware and other breakable objects may not be utilized in the pool or on the pool deck, if any. Pets are not permitted in the pool or pool area (if any) under any circumstances.

14. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within The Properties and including full compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing recreational facilities (if any).

15. Pets and other animals shall neither be kept nor maintained in or about The Properties except in accordance with the Declaration and with the following:

No pet shall be permitted outside of its Owner's Home unless attended by an adult or child of more than ten (10) years of age and on a leash of reasonable length. Said pets shall only be walked or taken upon those portions of the Common Areas designated by the Association from time to time for such purposes. In no event shall said pets ever be allowed to be walked or taken on or about any recreational facilities (if any) contained within the Common Areas.

16. No hunting or use of firearms shall be permitted anywhere in The Properties.

17. Every Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws, and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for 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 voting rights and use of recreation facilities, if any, in the event of failure to so comply. In addition to all other remedies, 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, his tenants, family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, as provided in the Declaration.

18. These rules and regulations shall not apply to the Developer, nor its affiliates, agents, or employees and contractors (except in such contractors' capacity as Owners), nor property while owned by either the Developer or its affiliates. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of the Board.

19. These rules and regulations shall be enforced by the Association as to any Common Properties within its control; and shall be enforced (to the exclusion of the Association and any other Sub Association) by the appropriate Sub Association for the Common Properties and Residential Property within the Subdistrict under the control of that particular Sub Association.

EXHIBIT "A"**Pearl Lakes
Legal Description**

All of Pedro Alberto Subdivision, according to the plat thereof, recorded in Plat Book 150, at Page 81,

and

all of Pedro Alberto re-plat according to the plat thereof, as recorded in Plat Book 153, at Page 57,

and

all of P.A. at West Sunset according to the plat thereof, as recorded in Plat Book 147 and Page 61,

all of P.A. at West Sunset First Amendment according to the plat thereof, as recorded in Plat Book 150 and Page 74,

ALL OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA.

21103PG1311

EXHIBIT "B"
(Amended and Restated Articles of Incorporation of
Pearl Lakes Homeowners' Association, Inc.)

State of Florida



Department of State

I certify from the records of this office that PEARL LAKES HOMEOWNERS' ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on October 27, 1995.

The document number of this corporation is N95000005146.

I further certify that said corporation has paid all fees due this office through December 31, 2003, that its most recent annual report/uniform business report was filed on February 14, 2003, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twenty-sixth day of February, 2003



CR2EO22 (2-03)

Glenda E. Hood
Glenda E. Hood
Secretary of State

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 February 21, 2003, for PEARL LAKES HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, as shown by the records of this office.

The document number of this corporation is N95000005146.



CR2EO22 (2-03)

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twenty-sixth day of February, 2003

Glenda E. Hood

Glenda E. Hood
Secretary of State