

*Emerald Isle*  
at Laguna Lakes

CONDOMINIUM





PROSPECTUS  
FOR  
EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM

THIS PROSPECTUS CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

**THIS CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD IN FEE SIMPLE INTERESTS.**

**RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS, THE CONDOMINIUM ASSOCIATION, THE MASTER ASSOCIATION OR THE NEIGHBORHOOD ASSOCIATION.**

For further information with respect to the Condominium, see Section 9.3 of the Declaration of Condominium attached hereto as Exhibit "A"; with respect to the Common Areas (as defined in the Master Covenants) governed by the Master Association see the Declaration of Covenants and Restrictions for the Lakes of Laguna (the "Master Covenants") set forth in Part 2 hereof (hereinafter referred to as "Part 2") entitled "Master Association and Neighborhood Association Documents"; and with respect to the Common Areas (as defined in the Neighborhood Covenants) governed by the Neighborhood Association see the Neighborhood Covenants for Laguna II Neighborhood Association, Inc. (the "Neighborhood Covenants") set forth in Part 2 hereof.

**THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

For further information, see the subsection hereof entitled "Leasing of Developer - Owned Units", and Section 17.8 of the Declaration of Condominium attached hereto as Exhibit A.

**THERE IS A MASTER ASSOCIATION MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. MEMBERSHIP IN THE MASTER ASSOCIATION IS MANDATORY. THERE IS NO RECREATION LEASE OR LAND LEASE ASSOCIATED WITH THIS CONDOMINIUM; HOWEVER, THE ASSOCIATION AND/OR UNIT OWNERS WILL BE ASSESSED FOR A SHARE OF THE EXPENSES RELATING TO THE OPERATION, MAINTENANCE, UPKEEP AND REPAIR OF THE COMMON AREAS OF THE MASTER ASSOCIATION AND ANY FACILITIES CONSTRUCTED THEREON. THERE IS A LIEN RIGHT AGAINST THE CONDOMINIUM PROPERTY TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, OPERATION, UPKEEP AND REPAIR OF THE MASTER COMMON AREAS AND ANY SUCH COMMON FACILITIES. THE FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.**

For further information with respect to the Master Association, see the Master Covenants and with respect to lien rights, see Article 6 of the Master Covenants. **Because the Master Association is an on-going entity operating independently from the Condominium Association, the purchaser is advised that the budget of, and assessments payable to, such Association may increase (based upon actual operating expenses and projections thereof), both before and after the closing under the purchaser's agreement for sale.**

**THERE IS A NEIGHBORHOOD ASSOCIATION MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. MEMBERSHIP IN THE NEIGHBORHOOD ASSOCIATION IS MANDATORY. THERE IS NO RECREATION LEASE OR LAND LEASE ASSOCIATED WITH THIS CONDOMINIUM; HOWEVER, THE ASSOCIATION AND/OR UNIT OWNERS WILL BE ASSESSED FOR A SHARE OF THE EXPENSES RELATING TO THE OPERATION, MAINTENANCE, UPKEEP AND REPAIR OF THE COMMON AREAS OF THE NEIGHBORHOOD ASSOCIATION AND ANY FACILITIES CONSTRUCTED THEREON. THERE IS A LIEN RIGHT AGAINST THE CONDOMINIUM PROPERTY TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, OPERATION, UPKEEP AND REPAIR OF THE COMMON AREAS AND ANY SUCH COMMON FACILITIES. THE FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.**

For further information with respect to the Neighborhood Association, see the Neighborhood Covenants and with respect to lien rights, see Article 5 of the Neighborhood Covenants. **Because the Neighborhood Association is an on-going entity operating independently from the Condominium Association, the purchaser is advised that the budget of, and assessments payable to, such Association may increase (based upon actual operating expenses and projections thereof), both before and after the closing under the purchaser's agreement for sale.**

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

For further information, see Section 718.301, Florida Statutes, and Section 4.15 of the By-Laws of the Condominium Association, a copy of which By-Laws is set forth as Exhibit "4" to the Declaration of Condominium attached hereto as Exhibit A.

**THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

For further information, see Section 17.8 of the Declaration of Condominium attached hereto as Exhibit A.

## INDEX

### SUMMARY OF CERTAIN ASPECTS OF THE OFFERING

	Page
1. Description of Condominium	1
2. Recreational and Certain Other Commonly Used Facilities Constructed Within the Condominium Property	1
3. Recreational and certain Other Commonly Used Facilities Constructed Within the Common Areas	2
4. The Community	2
5. The Master Association	2
6. The Neighborhood Association	2
7. Expansion of Recreational Facilities	3
8. Leasing of Developer-Owned Units	3
9. Management of the Condominium Property and the Common Areas	3
10. Transfer of Control of the Association	4
11. Restrictions on Use of Units and Common Elements and Alienability	4
12. Utilities and Certain Services	7
13. Apportionment of Common Expenses and Ownership of the Common Elements	8
14. Development Fee; The Agreement for Sale; Escrow Deposits	8
15. Sales Commissions	10
16. Identity of Developer	10
17. Contracts to be Assigned by Developer	10
18. Estimated Operating Budgets	10
19. Easements Located or to be Located on the Condominium Property	11
20. Disclosures	11
21. Evidence of Ownership	12
22. Nearby Construction/Natural Disturbances	12
23. Conversion	13
24. General	13
25. Definitions	13
26. Effective Date	13
Schedule A (Number of Bathrooms and Bedrooms in each Unit)	--

EXHIBITS TO THE PROSPECTUS

		Page of Exhibit
A.	<u>Declaration of Condominium</u>	
1.	Introduction and Submission	1
2.	Definitions	1
3.	Description of Condominium	5
4.	Restraint Upon Separation and Partition of Common Elements	11
5.	Ownership of Common Elements and Common Surplus and Share of Common Expenses; Voting Rights	11
6.	Amendments	11
7.	Maintenance and Repairs	12
8.	Additions, Improvements or Alterations by the Association	13
9.	Additions, Alterations or Improvements by Unit Owner	13
10.	Changes in Developer-Owned Units	14
11.	Operation of the Condominium by the Association; Powers and Duties	15
12.	Determination of Common Expenses and Fixing of Assessments Therefor	18
13.	Collection of Assessments	18
14.	Insurance	21
15.	Reconstruction or Repair After Fire or Other Casualty	25
16.	Condemnation	27
17.	Occupancy and Use Restrictions	29
18.	Compliance and Default	34
19.	Termination of Condominium	36
20.	Additional Rights of Mortgagees and Others	36
21.	Covenant Running With the Land	37
22.	The Master Association and Neighborhood Association	37
23.	Disclaimer of Warranties	37
24.	Additional Provisions	39
	Exhibit 1 - <u>Legal Description</u>	--
	Exhibit 2 - <u>Survey-Plot Plan</u>	--
	Exhibit 3 - <u>Schedule of Percentage Shares of Ownership of Common Elements and Common Surplus and of Sharing of Common Expenses</u>	--
	Exhibit 4 - <u>By-Laws of Condominium Association</u>	
	1. Identity	1
	2. Definitions	1
	3. Members	1
	4. Directors	4
	5. Authority of the Board	8
	6. Officers	10
	7. Fiduciary Duty	10
	8. Compensation	10
	9. Resignations	11
	10. Fiscal Management	11
	11. Roster of Unit Owners	14
	12. Parliamentary Rules	14
	13. Amendments	14
	14. Rules and Regulations	14
	15. Written Inquiries	14
	16. Official Records	15
	17. Certificate of Compliance	16
	18. Provision of Information to Purchasers or Lienholders	16
	19. Electronic Transmission	16
	20. Construction	16
	21. Captions	16
	Schedule A- <u>Rules and Regulations</u>	--

Exhibit 5 - Articles of Incorporation of Condominium Association

1.	Name	1
2.	Office	1
3.	Purpose	1
4.	Definitions	1
5.	Powers	1
6.	Members	3
7.	Term of Existence	3
8.	Incorporator	3
9.	Officers	3
10.	Directors	4
11.	Indemnification Provisions	4
12.	By-Laws	7
13.	Amendments	7
14.	Initial Registered Office; Address and Name of Registered Agent	8

Exhibit 6 - Guaranteed Assessment Amounts

B.	<u>Estimated Operating Budget – Condominium Association</u>	--
	<u>Estimated Operating Budget – Master Association</u>	--
	<u>Estimated Operating Budget – Neighborhood Association</u>	--
C.	<u>Form of Purchase Agreement</u>	--
D.	<u>Evidence of Ownership</u>	--
E.	<u>Conversion Inspection Report</u>	--
	Letter from Municipality	--
	Termite Inspection Report	--
	Certificates of Occupancy/Completion	--
F.	<u>Sharing Agreement</u>	--

MASTER ASSOCIATION AND NEIGHBORHOOD ASSOCIATION DOCUMENTS  
(Part 2)

	Declaration of Covenants and Restrictions for the Lakes of Laguna, including all exhibits thereto, all as amended, modified or supplemented	Page --
	Neighborhood Covenants for Laguna II Neighborhood Association, Inc., including all exhibits thereto, all as amended, modified or supplemented	--



**SUMMARY OF CERTAIN ASPECTS OF THE OFFERING**

1. Description of Condominium

The name of the condominium is **Emerald Isle at Laguna Lakes Condominium** (the "Condominium"). The Condominium is located at 4300 San Marino Boulevard, West Palm Beach, Florida 33409. **San Marino 355, LLC, a Florida limited liability company** (the "Developer"), is the owner of the unsold Units in the Condominium which are being offered for sale pursuant to this Prospectus. The Condominium will consist of seventeen (17) buildings containing a total of three hundred fifty five (355) Units. The number of bedrooms and bathrooms in each Unit in the Condominium is set forth on Schedule "A" attached hereto.

The Condominium will consist only of the Units described herein, the Common Elements described in the Declaration of Condominium attached hereto as Exhibit "A" and the recreational facilities described in the section hereof entitled "Recreational and Certain Other Commonly Used Facilities Constructed Within the Condominium Property".

The Condominium is being created by conversion of previously existing improvements which were originally constructed approximately in 2002, and used as a residential apartment complex. All of the Improvements and Units have been previously occupied.

**THE CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD IN FEE SIMPLE INTERESTS.**

2. Recreational and Certain Other Commonly Used Facilities Constructed Within The Condominium Property

The following recreational and other commonly used facilities have been constructed within the Condominium Property and are to be used, except as provided to the contrary herein or in the Declaration, exclusively by all members of the Association, and their guests, tenants and invitees. The facilities include the following (all located on designated portions of the Condominium Property):

<u>FACILITY AND ITS LOCATION</u>	<u>APPROXIMATE SIZE</u>	<u>APPROXIMATE CAPACITY</u>
Unheated Pool (Level 1)	781 sq. ft. with depth from 3' to 6'	35 persons
Pool Deck (Level 1)	973 sq. ft.	47 persons
Spa (Level 1)	382 sq. ft.	12 persons
Fitness Center (Level 1)	924 sq. ft.	11 persons
Indoor Racquetball and Basketball Court (Level 1)	613 sq. ft.	6 persons
Clubhouse (Level 1)	1,948 sq. ft.	19 persons
Cyber Bar with Business Services (Level 1)	243 sq. ft.	3 persons
Playground (Level 1)	589 sq. ft.	9 persons

The maximum number of Units located in the Condominium and entitled to utilize the above-described facilities will not exceed 355. The facilities are presently in operation and the Developer does not intend to expend any additional sums to provide further personal property in and around these facilities.

3. Recreational and Certain Other Commonly Used Facilities Constructed Within the Common Areas

There are no recreational facilities intended to be constructed within the Common Areas governed by the Master Association and/or the Neighborhood Association.

4. The Community

The Condominium will be a part of a development known as The Lakes of Laguna (the "Community"), which shall be governed by the Master Covenants and the Neighborhood Covenants. In addition to the Condominium, the Community currently includes other residential and commercial facilities, and certain other amenities, open spaces and roadways serving all of same. Any portion of the Community may also (but is in no way guaranteed or obligated to) include other structures and improvements, commercial/retail space, recreational facilities, and expansion of any of the existing facilities. Any additional structures which may be constructed within the Community may take any form. The Purchaser is cautioned that renovations and development activity may continue within the Community well after the conversion of the Condominium, and accordingly, purchasers may be exposed to construction noises and debris, and traffic congestion, after closing. The Purchaser agrees that he or she shall not make any claim of any nature whatsoever against the Developer or any other person or entity with respect to, or arising out of, said activity.

The Common Areas of the Community are governed by the Master Association and the Neighborhood Association pursuant to the Master Covenants and the Neighborhood Covenants. Except for those instances where the use is limited pursuant to the Master Covenants and/or the Neighborhood Covenants, the Unit Owners shall be entitled to use all of said portions of the Community in accordance with and subject to the terms of the Master Covenants and the Neighborhood Covenants. The Master Covenants and the Neighborhood Covenants contain certain rules, regulations and restrictions relating to the use of such Common Areas as well as the Condominium Property (including Units). Each Unit Owner, either individually or by virtue of membership in the Condominium Association, will be a member of the Master Association and the Neighborhood Association and as such, all Unit Owners will be subject to all of the terms and conditions of the Master Covenants and the Neighborhood Covenants, all as amended and supplemented from time to time. Among the powers of the Master Association and the Neighborhood Association are the power to assess Unit Owners (and other members of the Master Association and Neighborhood Association) and/or the Condominium Property as a whole (as more particularly provided for in the Master Covenants and the Neighborhood Covenants) for a pro-rata share of the expenses of the operation and maintenance (including the management fees relating to) of such portions of the Community and to impose and foreclose liens in the event such assessments are not paid when due.

Purchaser is cautioned that (i) no party has any obligation to develop the balance of the Community at all or in any particular manner, order or timing, if at all, (ii) construction and development activity may continue within and adjacent to the Community well after the completion of the Condominium, and accordingly, purchasers may be exposed to construction noises and debris, and traffic congestion, after closing, and (iii) any commercial uses made from any other portions of the Community may result in increased noise and/or traffic delays in and around the Condominium.

5. The Master Association

**THERE IS A MASTER ASSOCIATION MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. MEMBERSHIP IN THE MASTER ASSOCIATION IS MANDATORY. THERE IS NO RECREATION LEASE OR LAND LEASE ASSOCIATED WITH THIS CONDOMINIUM; HOWEVER, THE ASSOCIATION AND/OR UNIT OWNERS WILL BE ASSESSED FOR A SHARE OF THE EXPENSES RELATING TO THE OPERATION, MAINTENANCE, UPKEEP AND REPAIR OF THE COMMON AREAS OF THE MASTER ASSOCIATION AND ANY FACILITIES CONSTRUCTED THEREON. THERE IS A LIEN RIGHT AGAINST THE CONDOMINIUM PROPERTY TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, OPERATION, UPKEEP AND REPAIR OF THE MASTER COMMON AREAS AND ANY SUCH COMMON FACILITIES. THE FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.**

See the Master Covenants.

6. The Neighborhood Association

**THERE IS A NEIGHBORHOOD ASSOCIATION MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. MEMBERSHIP IN THE NEIGHBORHOOD ASSOCIATION IS MANDATORY. THERE IS NO RECREATION LEASE OR LAND LEASE ASSOCIATED WITH THIS CONDOMINIUM; HOWEVER, THE ASSOCIATION AND/OR UNIT OWNERS WILL BE ASSESSED FOR A SHARE OF THE EXPENSES RELATING TO THE OPERATION, MAINTENANCE, UPKEEP AND REPAIR OF THE COMMON AREAS OF THE NEIGHBORHOOD ASSOCIATION AND ANY FACILITIES CONSTRUCTED THEREON. THERE IS A LIEN RIGHT AGAINST THE CONDOMINIUM PROPERTY TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE MAINTENANCE, OPERATION, UPKEEP AND REPAIR OF THE COMMON**



**AREAS AND ANY SUCH COMMON FACILITIES. THE FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.**

See the Neighborhood Covenants.

7. Expansion of Recreational Facilities

**RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS, THE ASSOCIATION, THE MASTER ASSOCIATION OR THE NEIGHBORHOOD ASSOCIATION.**

See Section 9.3 of the Declaration of Condominium for further details.

The Developer reserves the right at any time to expand or add to any of the above-described recreational facilities as the Developer deems appropriate. The consent of the Unit Owners or the Condominium Association, the Master Association or the Neighborhood Association shall not be required for any such expansion. The cost of such expansion shall be borne exclusively by the Developer. The Developer is not obligated, however, to so expand the facilities or provide additional facilities.

8. Leasing of Developer-Owned Units

**THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

See Section 17.8 of the Declaration of Condominium for further details.

While the Developer will primarily focus on the sale of the Units, it shall nonetheless continue the rental of the unsold Units on such terms as Developer, in its sole and absolute discretion, shall approve and as permitted by the Act and the rules promulgated thereunder. In the event any Unit is sold prior to the expiration of the term of a lease (which may occur during an indefinite period), title to such Unit (or Units) will be conveyed subject to the lease (or leases) and purchasers will succeed to the interests of the applicable lessor. If any Unit is sold subject to a lease, a copy of the executed lease will be attached to the Purchase Agreement in accordance with the terms of Florida Statutes, Section 718.503. Each purchaser should understand and agree that, pursuant to the provisions of the Florida Condominium Act, the tenant under the lease may have a right to terminate the lease prior to the expiration of the term. Accordingly, there is no assurance that the tenant will remain in the Unit through closing or thereafter through the balance of the term of the lease, and purchaser shall be deemed to have released Developer from any and all liability resulting from any such early termination. Each of the Units in the Condominium has been previously occupied.

9. Management of the Condominium Property and the Common Areas

There is not presently a contract for the management of the Condominium Property, however, it is anticipated that, prior to the creation of the Condominium, the Association may enter into an agreement with a property manager to serve the Condominium. Any such management agreement, in addition to the means of termination which may be set forth in the management agreement, may also be cancelled by unit owners pursuant to the Condominium Act, Florida Statutes, Section 718.302. Section 718.302, Florida Statutes, provides in relevant part that:

If . . . unit owners other than the developer have assumed control of the association, or if unit owners other than the developer own not less than 75 percent of the units in the condominium, the cancellation shall be by concurrence of the owners of not less than 75 percent of the units other than the units owned by the developer. If a grant, reservation or contract is so canceled and the unit owners other than the developer have not assumed control of the association, the association shall make a new contract or otherwise provide for maintenance, management or operation in lieu of the canceled obligation, at the direction of the owners of not less than a majority of the units in the condominium other than the units owned by the developer.

Any fees which may be payable by the Association to the Manager shall be part of the Common Expenses of the Condominium that are included in the Assessments payable by Unit Owners.

There is not presently an agreement for the management of the Master Association or the Neighborhood Association. The Master Association and/or the Neighborhood Association may, however, at any time, and without the consent of Owners, enter into a management contract. The costs of any such contract shall be a common expense of the Master Association and/or the Neighborhood Association, as applicable, and shall be paid by the Owners through assessments.

Currently, there are no maintenance or service contracts affecting the Condominium and/or the Common Areas having a non-cancelable term in excess of one year. The Association, the Master Association and the Neighborhood Association are empowered at any time and from time to time, to enter into a management agreement and/or maintenance and/or service contracts for valuable consideration and upon such terms and conditions as their respective Boards of Directors shall approve without the consent of Unit Owners. Any maintenance and/or service contracts entered into by the Condominium Association (but not those entered into by the Master Association and/or

the Neighborhood Association) may be subject to cancellation by the Association and by Unit Owners directly in accordance with the aforesaid Section 718.302, Florida Statutes.

10. Transfer of Control of the Association

The initial officers and directors of the Condominium Association are or will all be designees of the Developer.

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

See Section 718.301, Florida Statutes, and Section 4.15 of the By-Laws of the Association, a copy of which By-Laws is set forth as Exhibit "4" to the Declaration of Condominium.

The Directors of the Condominium Association designated by the Developer will be replaced by Directors elected by Unit Owners other than the Developer in accordance with the applicable provisions of the Florida Condominium Act, Section 718.301, Florida Statutes, and Section 4.15 of the By-Laws.

11. Restrictions on Use of Units and Common Elements and Alienability. The following is a summary of certain of the restrictions on use of the Units and Common Elements which are contained in the Condominium Documents. **The Developer and certain related parties are, among others, exempt from many of the restrictions.**

Occupancy. Each Unit shall be used as a residence and/or home office only, except as otherwise herein expressly provided, all in accordance with, and only to the extent permitted by, applicable local, County, state and federal codes, ordinances and regulations. Home office use of a Unit shall only be permitted to the extent permitted by law and to the extent that the office is not staffed by employees, is not used to receive clients and/or customers and does not generate additional visitors or traffic into the Unit or on any part of the Condominium Property. The foregoing provisions shall not be applicable to Units used by the Developer, which it has the authority to do without Unit Owner consent or approval, and without payment of consideration, for model apartments, guest suites, sales, re-sales and/or leasing offices and/or for the provision of management, construction, development, maintenance, repair and/or financial services.

Children. Children shall be permitted to be occupants of Units, but are restricted in certain activities. See the Rules and Regulations attached to the By-Laws (Exhibit "4" to the Declaration of Condominium) as Schedule A thereto.

Pet Restrictions. One domesticated dog or cat may be maintained in a Unit provided such pet is: (a) permitted to be so kept by applicable laws and regulations, (b) not left unattended on balconies, terraces, patios or in lanai areas, (c) carried or leashed at all times when on the Common Elements and/or Association Property, (d) generally, not a nuisance to residents of other Units or of neighboring buildings and (e) not a pit bull or other breed considered to be dangerous by the Board of Directors; provided that neither the Board nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing and any occupant of a Unit committing such a violation shall fully indemnify and hold harmless the Board of Directors, the Developer, each Unit Owner and the Association in such regard. Unit Owners must pick up all solid wastes of their pets and dispose of such wastes appropriately. All pets (including cats) must be kept on a leash of a length that affords reasonable control over the pet at all times when outside the Unit or enclosed patio. Any landscaping damage or other damage to the Common Elements caused by a Unit Owner's pet must be promptly repaired by the Unit Owner. The Association retains the right to effect said repairs and charge the Unit Owner therefor. Pets shall only be walked or taken upon those portions of the Common Elements designated by the Association, if any, from time to time for such purposes. Pets shall only be in the hallways of the Building as a means of direct ingress or egress to and from its Owner's Unit and the exterior of the Building. A violation of the pet regulations shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit Owners (as provided in the By-Laws and any applicable rules and regulations) and/or to require any pet to be permanently removed from the Condominium Property.

Alterations. No Unit Owner shall cause or allow improvements or physical or structural changes to any Unit, Limited Common Elements appurtenant thereto, Common Elements or Association Property, including, but not limited to, painting or other decorating of any nature, installing or altering any electrical wiring or plumbing systems, installing television antennae, satellite dishes, electronic devices, transmitting and/or receiving equipment, machinery, or air-conditioning units, which in any manner change the appearance of any portion of the Buildings or the exterior of said Unit, without obtaining the prior written consent of the Association (in the manner specified in the Declaration). Curtains, blinds, shutters, levelors, or draperies (or linings thereof) which face the exterior windows or glass doors of Units shall be white or off-white in color and shall be subject to disapproval by the Association, in which case they shall be removed and replaced by the Unit Owner with items acceptable to the Association.

Use of Common Elements and Association Property. The Common Elements and Association Property shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. In that regard, each purchaser understands and agrees that it is the intention of the Developer that the stairwells of the Building are intended for ingress and egress in the event of

emergency only, and as such are constructed and left unfinished solely as to be functional for said purpose, without regard to the aesthetic appearance of said stairwells. Similarly, the garage and utility pipes serving the Condominium are intended solely for functional purposes, and as such will be left unfinished without regard to the aesthetic appearance of same. The foregoing is not intended to prohibit the use of the stairwells, garage, and utility pipes for any other proper purpose.

Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium or Association Property, nor shall any use or practice be allowed which is a source of annoyance to occupants of Units or which interferes with the peaceful possession or proper use of the Condominium and/or Association Property by its residents, occupants or members. No activity specifically permitted by the Declaration, the Master Covenants or the Neighborhood Covenants shall be deemed a nuisance.

No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium or Association Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium and/or Association Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property. No activity specifically permitted by the Declaration, the Master Covenants or the Neighborhood Covenants shall be deemed to be a violation of the foregoing restrictions.

Leases. No portion of a Unit (other than an entire Unit) may be rented. Leasing of Units shall be subject to the prior written approval of the Association, and each lease shall be in writing and shall specifically provide that the Association shall have the right (a) to terminate the lease upon default by the tenant in observing any of the provisions of the Declaration, the Articles of Incorporation or By-Laws of the Association, the Master Covenants, the Neighborhood Covenants, or other applicable provisions of any agreement, document or instrument governing the Condominium or administered by the Association, the Master Association or the Neighborhood Association, and (b) to collect all rental payments due to the Owner and apply same against unpaid Assessments if, and to the extent that, the Unit Owner is in default in the payment of Assessments. The Association may deny permission to lease any Unit on any reasonable grounds the Association may find, including, without limitation, because the lessor is delinquent in the payment of Assessments to the Association (or becomes delinquent during the lease term) or has any outstanding fine (or incurs a fine which is not paid within five days following the adoption of same). No lease of a Unit shall be for a period of less than six (6) months and there shall be no more than two (2) leases of a Unit in any calendar year (i.e., not more than two (2) leases shall commence during any calendar year).

The lease of a Unit for a term of six (6) months or less is subject to a tourist development tax assessed pursuant to Section 125.0104, Florida Statutes. A Unit Owner leasing his or her Unit for a term of six (6) months or less agrees, and shall be deemed to have agreed, for such Owner, and his or her heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Developer and all other Unit Owners harmless from and to indemnify them for any and all costs, claims, damages, expenses or liabilities whatsoever, arising out of the failure of such Unit Owner to pay the tourist development tax and/or any other tax or surcharge imposed by the State of Florida with respect to rental payments or other charges under the lease, and such Unit Owner shall be solely responsible for and shall pay to the applicable taxing authority, prior to delinquency, the tourist development tax and/or any other tax or surcharge due with respect to rental payments or other charges under the lease.

Every lease of a Unit shall specifically provide (or, if it does not, shall be automatically deemed to provide) that a material condition of the lease shall be the tenant's full compliance with the covenants, terms, conditions and restrictions of the Declaration (and all Exhibits thereto), the Master Covenants, the Neighborhood Covenants and with any and all rules and regulations adopted by the Association, the Master Association and/or the Neighborhood Association from time to time (before or after the execution of the lease). The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association) and to pay any claim for injury or damage to property caused by the negligence of the tenant and special Assessments may be levied against the Unit therefor. All leases are subordinate to any lien filed by the Condominium Association, whether prior or subsequent to such lease. The Association may charge a fee in connection with the approval of any lease, sublease, or other transfer of a Unit requiring approval, provided, however that such fee may not exceed \$100 per applicant other than husband/wife or parent/dependent child, which are considered one applicant, and provided further, that if the lease or sublease is a renewal of a lease or sublease with the same lessee or sublessee, no charge shall be made. If so required by the Association, any tenant leasing a Unit may be required to place in escrow with the Association a reasonable sum, not to exceed the equivalent of one month's rental, which may be used by the Association to repair any damage to the Common Elements and/or Association Property resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). Payment of interest, claims against the deposit, refunds and disputes regarding the disposition of the deposit shall be handled in the same fashion as provided in Part II of Chapter 83, Florida Statutes.

When a Unit is leased, a tenant shall have all use rights in Association Property and those Common Elements otherwise readily available for use generally by Unit Owners, and the Owner of the leased Unit shall not have such rights, except as a guest, unless such rights are waived in writing by the tenant. Nothing contained in the Declaration shall interfere with the access rights of the Unit Owner as a landlord pursuant to Chapter 83, Florida

Statutes. The Association shall have the right to adopt rules to prohibit dual usage by a Unit Owner and a tenant of Association Property and Common Elements otherwise readily available for use generally by Owners.

**Weight, Sound and Other Restrictions.** Unless installed by the Developer or meeting the sound insulation specifications established from time to time by the Board, hard and/or heavy surface floor coverings, such as tile, marble, wood, and the like will be permitted only in foyers, kitchens and bathrooms. Even once approved by the Board, the installation of insulation materials shall be performed in a manner that provides proper mechanical isolation of the flooring materials from any rigid part of the building structure, whether of the concrete subfloor (vertical transmission) or adjacent walls and fittings (horizontal transmission) and must be installed prior to the Unit being occupied. Additionally, the floor coverings (and insulation and adhesive material therefor) installed on any balcony, terrace, patio and/or lanai shall not exceed a thickness that will result in the finish level of the balconies, terraces, patios and/or lanais being above the bottom of the scuppers or diminish the required height of the rails (as established by the applicable building code). Also, the installation of any improvement or heavy object must be submitted to and approved by the Board, and be compatible with the overall structural design of the Building. All areas within a Unit other than foyers, kitchens and bathrooms, unless to receive floor covering approved by the Board, are to receive sound absorbent, less dense floor coverings, such as carpeting or hard surface floor coverings meeting the specifications described above. The Board will have the right to specify the exact material to be used on balconies, terraces, patios and/or lanais. Any use guidelines set forth by the Association shall be consistent with good design practices for the waterproofing and overall structural design of the Building. Owners will be held strictly liable for violations of these restrictions and for all damages resulting therefrom and the Association has the right to require immediate removal of violations. **Applicable warranties of the Developer, if any, shall be voided by violations of these restrictions and requirements. Each Unit Owner agrees that sound transmission in a multi-story building such as the Condominium is very difficult to control, and that noises from adjoining or nearby Units and or mechanical equipment can often be heard in another Unit. The Developer does not make any representation or warranty as to the level of sound transmission between and among Units and the other portions of the Condominium Property, and each Owner shall be deemed to waive and expressly release any such warranty and claim for loss or damages resulting from sound transmission.**

The installation of insulation under hard surface floor coverings shall not be required for any Unit that is not located above another Unit or above Common Elements that may reasonably be considered by the Board to be areas of general circulation (e.g. lobbies, hallways, mailrooms, if any etc.), and/or recreational areas. Accordingly, if a Unit has no Improvements below it, or only the parking garage or a mechanical room below it, it shall not be required to install insulation under hard surface floor coverings.

**Mitigation of Dampness and Humidity.** No Unit Owner shall install, within his or her Unit, or upon the Common Elements or Association Property, non-breathable wall-coverings or low-permeance paints. Additionally, any and all built-in casework, furniture, and or shelving in a Unit must be installed over floor coverings to allow air space and air movement and shall not be installed with backboards flush against any gypsum board, masonry block or concrete wall. Additionally, all Unit Owners, whether or not occupying the Unit, shall periodically run the air conditioning system to maintain the Unit temperature, whether or not occupied, at 78°F, to minimize humidity in the Unit. Leaks, leaving exterior doors or windows open, wet flooring and moisture will contribute to the growth of mold, mildew, fungus or spores. Purchaser agrees that Developer is not responsible, and disclaims any responsibility for any illness, personal injury, death or allergic reactions which may be experienced by the purchaser, its family members and/or its or their guests, tenants and invitees and/or the pets of all of the aforementioned persons, as a result of mold, mildew, fungus or spores. It is the purchaser's responsibility to keep the Unit clean, dry, well-ventilated and free of contamination. While the foregoing are intended to minimize the potential development of molds, fungi, mildew and other mycotoxins, each purchaser understands and agrees that there is no method for completely eliminating the development of molds or mycotoxins. The Developer does not make any representations or warranties regarding the existence or development of molds or mycotoxins and each purchaser shall be deemed to waive and expressly release any such warranty and claim for loss or damages resulting from the existence and/or development of same. In furtherance of the rights of the Association as set forth in Section 11.1(a) of the Declaration, in the event that the Association reasonably believes that the provisions of Section 17.10 of the Declaration are not being complied with, then, the Association shall have the right (but not the obligation) to enter the Unit (without requiring the consent of the Unit Owner or any other party) to turn on the air conditioning in an effort to cause the temperature of the Unit to be maintained as required hereby (with all utility consumption costs to be paid and assumed by the Unit Owner). To the extent that electric service is not then available to the Unit, the Association shall have the further right, but not the obligation (without requiring the consent of the Unit Owner or any other party) to connect electric service to the Unit (with the costs thereof to be borne by the Unit Owner, or if advanced by the Association, to be promptly reimbursed by the Unit Owner to the Association, with all such costs to be deemed Charges). Each Unit Owner holds the Developer harmless and agrees to indemnify the Developer from and against any and all claims made by the Unit Owner and the Unit Owner's guests, tenants and invitees on account of any illness, allergic reactions, personal injury and death to such persons and to any pets of such persons, including all expenses and costs associated with such claims including, without limitation, inconvenience, relocation and moving expenses, lost time, lost earning power, hotel and other accommodation expenses for room and board, all attorneys fees and other legal and associated expenses through and including all appellate proceedings with respect to all matters mentioned in this paragraph.

**Exterior Improvements.** Without limiting the generality of Subsections 9.1 or 17.4 of the Declaration, but subject to any provision of the Declaration specifically permitting same, no Unit Owner shall cause anything to be

affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, lanais or windows of the Building (including, but not limited to, awnings, signs, storm shutters, satellite dishes, screens, window tinting, furniture, fixtures and equipment), without the prior written consent of the Association. Notwithstanding the foregoing, any Unit Owner may display one portable removable United States flag in a respectful way, and, on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, may display in a respectful way portable, removable official flags, not larger than 4½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard.

Exterior Storm Shutters. The Board of Directors shall, from time to time, establish exterior storm shutter specifications which comply with the applicable building code, and establish permitted colors, styles and materials for exterior storm shutters. The Association shall approve the installation or replacement of exterior storm shutters conforming to the Board's specifications. The Board may, with the approval of a majority of the voting interests in the Condominium, install exterior storm shutters, and may (without requiring approval of the membership) maintain, repair or replace such approved shutters, whether on or within Common Elements, Limited Common Elements, Units or Association Property; provided, however, that if laminated glass or window film, in accordance with all applicable building codes and standards, architecturally designed to serve as hurricane protection, is installed, the Board may not install exterior storm shutters in accordance with this provision. All shutters shall remain open unless and until a storm watch or storm warning is announced by the National Weather Center or other recognized weather forecaster. A Unit Owner or occupant who plans to be absent during all or any portion of the hurricane season must prepare his or her Unit prior to his or her departure by designating a responsible firm or individual to care for his or her Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual.

To the extent that Developer provides exterior storm shutters for any portions of the Building (which it is not obligated to do) or if the Association obtains exterior storm shutters for any portion of the Condominium Property, the Association (as to shutters for the Common Elements) and the Unit Owners (as to shutters for a particular Unit) shall be solely responsible for the installation of such exterior storm shutters from time to time and the costs incurred by the Association (as to installation of shutters for the Common Elements) shall be deemed a part of the Common Expenses of the Condominium that are included in the Assessments payable by Unit Owners. The obligations of the Association shall include, without limitation, development of appropriate plans to allow for the timely installation of the shutters for the Common Elements, and all obligations with respect to the repair, replacement and/or upgrade of the shutters for the Common Elements. Developer shall have no obligations with respect to the installation of the shutters, and/or for the repair, replacement and/or upgrade of the shutters. Nothing herein shall obligate the Association to install shutters protecting individual units, nor to open or close same as a storm is approaching, or after it passes.

Cumulative with Restrictions of Master Covenants and Neighborhood Covenants. The foregoing restrictions shall be in addition to, cumulative with, and not in derogation of those set forth in the Master Covenants and the Neighborhood Covenants.

For these and other restrictions upon the use of Units and Common Elements, reference should be made to all Exhibits contained in this Prospectus (particularly Sections 9 and 17 of the Declaration, the Rules and Regulations attached to the By-Laws as Schedule A, the Master Covenants and the Neighborhood Covenants), in addition to the specific references noted.

#### **THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

For further information, see Section 17.8 of the Declaration of Condominium attached hereto as Exhibit "A".

#### **12. Utilities and Certain Services**

Utilities and certain other services will be furnished to the Condominium as follows:

Electricity .....	Florida Power & Light Company
Telephone .....	BellSouth
Water .....	City of West Palm Beach
Sanitary Sewage and Waste Disposal .....	City of West Palm Beach
Solid Waste Removal .....	Private Contractor
Storm Drainage .....	Private system of natural and artificial percolation and run-off

Each Unit is separately metered for electric service. It shall be the Unit Owner's obligation to establish a service account with the utility provider, and thereafter the utility provider will send a separate bill directly for such service. Electric service to the Common Elements shall be billed directly to the Association, and shall be paid for



through assessments of the Association. Similarly, each Unit Owner must separately arrange for individual telephone service and thereafter shall be billed directly by the service provider. All other utilities are anticipated to be billed to the Association and shall be paid for through the assessments of the Association.

Additionally, it is intended that the Association may enter into a bulk cable or satellite agreement for the provision of cable or satellite television services to the Units. The expenses of the Condominium Association pursuant to such agreement shall be deemed Common Expenses.

13. Apportionment of Common Expenses and Ownership of the Common Elements

The Owner(s) of each Unit will own an undivided interest in the Common Elements of the Condominium and Common Surplus of the Condominium Association, based upon the total square footage of each Unit in uniform relationship to the total square footage of each other Unit, and the Owner(s) of each Unit shall be obligated for a proportionate share of the Common Expenses. Generally speaking, the Common Elements consist of all parts of the Condominium Property not included in the Units. The Common Expenses include all expenses incurred by the Association for the operation, management, maintenance, repair, replacement or protection of the Common Elements, the costs of carrying out the powers and duties of the Association, and any other expense, whether or not included in the foregoing, designated as a "Common Expense" by the Act, the Declaration, the Articles or the Bylaws. Common Expenses shall also include, without limitation, the following: (a) the costs relating to the operation, repair and maintenance of all Association Property; (b) all reserves required by the Act or otherwise established by the Association, regardless of when reserve funds are expended; (c) the cost of a master antenna television system or duly franchised cable or satellite television service obtained pursuant to a bulk contract; (d) the cost of any bulk contract for broadband, telecommunications, satellite and/or internet services, if any; (e) if applicable, costs relating to reasonable transportation services, road maintenance and operation expenses, management, administrative, professional and consulting fees and expenses, and in-house and/or interactive communications and surveillance systems; (f) the real property taxes, Assessments and other maintenance expenses attributable to any Units acquired by the Association or any Association Property; (g) to the extent that the Association determines to install exterior storm shutters, all expense of installation, repair, and maintenance of same by the Board (provided, however, that a Unit Owner who has already installed exterior storm shutters (or other acceptable hurricane protection) shall receive a credit equal to the pro rata portion of the assessed installation cost assigned to each Unit, but shall not be excused from any portion of expenses related to maintenance, repair, replacement or operation of same), including, without limitation, any and costs associated with putting the shutters on in the event of an impending storm and the costs of taking the shutters off once the storm threat passes; (h) any lease or maintenance agreement payments required under leases or maintenance agreements for mechanical or other equipment, supplies, etc., including without limitation, leases for trash compacting, recycling and/or laundry equipment, if same is leased by the Association rather than being owned by it; (i) all expenses related to the installation, repair, maintenance, operation, alteration and/or replacement of Life Safety Systems; (j) costs of fire, windstorm, flood, liability and all other types of insurance including, without limitation, and specifically, insurance for officers and directors of the Association; (k) costs of water and sewer, electricity, gas and other utilities which are not consumed by and metered to individual Units; (l) any and all assessments against the Condominium Property as a whole (as distinguished from assessments against the individual Units) pursuant to the Master Covenants; (m) any and all assessments against the Condominium Property as a whole (as distinguished from assessments against the individual Units) pursuant to the Neighborhood Covenants; (n) any and all costs, expenses, obligations and/or liabilities which may arise pursuant to the Sharing Agreement; (o) costs resulting from damage to the Condominium Property which are necessary to satisfy any deductible and/or to effect necessary repairs which are in excess of insurance proceeds received as a result of such damage; and (p) any unpaid share of Common Expenses or Assessments extinguished by foreclosure of a superior lien or by deed in lieu of foreclosure. Common Expenses shall not include any separate obligations of individual Unit Owners and/or any assessments directly against Units or obligations of Unit Owners pursuant to the Master Covenants and/or the Neighborhood Covenants.

Each Unit's percentage interest in the Common Elements and Common Surplus and percentage share of the Common Expenses will be as set forth in Exhibit "3" to the Declaration, same having been computed based upon the total square footage of the Unit in uniform relationship to the total square footage of each other Unit.

14. Development Fee; The Agreement for Sale; Escrow Deposits

At the time of closing of title, the purchaser will pay a development fee equal to two and one half percent (2½%) of the Purchase Price (and of any charges for options or extras now or hereafter contracted for which are not included in the Purchase Price). This fee will be used, in part, to pay for the following closing costs: (i) the costs of officially recording the deed in the Public Records of the County (presently, recording fees are \$10.00 for the first page of an instrument and \$8.50 for each additional page and under certain circumstances, the County may impose a separate indexing charge), (ii) the documentary stamp taxes payable in connection with the deed conveying the Unit to purchaser (presently, documentary stamp taxes are \$.70 for each \$100.00 of consideration) and (iii) the premium on the owner's title insurance policy, at the minimum promulgated risk rates promulgated by the Florida Insurance Commissioner (taking into account applicable reissue rates and new home credits, if any), whether obtained from Developer's closing agent, or elsewhere. The balance of the "development fee" shall be retained by Developer as additional revenue and to offset certain of its conversion and development expenses, including without limitation, certain of Developer's administration expenses and Developer's attorneys' fees in connection with conversion and development of the Condominium. Accordingly, purchaser understands and agrees that the

development fee is not for payment of closing costs or settlement services (other than to the extent expressly provided above), but rather represents additional funds to Developer which are principally intended to provide additional revenue and to cover various out-of-pocket and internal costs and expenses of Developer associated with development of the Condominium. In the event of increases in either the recording fees imposed by the County, the documentary stamp tax rates or the minimum risk title insurance premiums, subsequent to the date of the Purchase Agreement, or in the event of the imposition of any surcharge or any new governmental tax or charge on deeds or conveyances, the purchaser agrees to pay all such increases, surcharges or new taxes or charges, in addition to the development fee;

At the time of closing of title, the purchaser will be required to make a contribution to the funds of the Condominium Association, and, to the extent required, to the Master Association and the Neighborhood Association said contributions to be in an amount equal to three (3) times the monthly assessment amount payable to the Condominium Association, the Master Association and the Neighborhood Association (which contributions are not to be credited against regular assessments). This sum shall be deposited in the Association's account for the intended purpose of establishing initial operating funds and working capital and for initial, non-recurring expenses. Notwithstanding the foregoing intent, however, all contributions may be used by the Associations for any purpose (including, but not limited to, the reimbursement of the Developer for certain expenses and/or deposits and/or prepayments as more particularly described in the subsection hereof entitled "Contracts to be Assigned by Developer"), provided, however, that no initial contributions of purchasers to the Condominium Association may be used for such purposes, however, as long as any guaranty by Developer of such Association's assessments is in effect.

Purchasers shall also be required to pay, at closing: (a) a reimbursement to Developer for any utility, cable or interactive communication deposits or hook-up fees which Developer may have advanced prior to closing for the Unit, (b) a charge of \$80.00 for access control devices applicable to the Condominium Property, (c) reimbursement to Developer, and/or Developer's closing agents, for charges incurred in connection with coordinating closing with a purchaser and/or the purchaser's lender, including, without limitation, charges for messenger expenses, long distance telephone calls, photocopying expenses, telecopying charges and others, (d) a reimbursement for charges incurred in connection with coordinating closing with purchaser or purchaser's lender, (e) reimbursement to Developer for purchaser's prorated portion of any interim services fee charged by the applicable state or county jurisdiction, and (f) late charges, if applicable, all as provided in the Purchase Agreement.

Expenses relating to the purchaser's Unit (for example, taxes and governmental assessments, municipal interim service fees and current maintenance assessments due the Condominium Association, the Master Association and the Neighborhood Association) will be apportioned between the Developer and the purchaser as of closing. However, Developer shall not be obligated to give credits for tax prorations until the actual tax bill is received by the purchaser.

If the Developer permits a closing to be rescheduled from the originally scheduled closing date at the request of a purchaser, such purchaser shall pay to the Developer, at the time of rescheduling, a late funding charge as more particularly described in the Purchase Agreement. In addition, all closing prorations shall be made as of the originally scheduled closing date. Developer is not obligated to consent to any such delay.

All purchasers obtaining a mortgage also will pay any loan fees, closing costs, escrows, appraisals, credit fees, lender's title insurance premiums, prepayments and all other expenses charged by any lender giving the purchaser a mortgage, if applicable. Notwithstanding any of the references in this paragraph to purchaser electing to obtain a loan, nothing herein shall be deemed to make the Purchase Agreement, or the purchaser's obligations under the Purchase Agreement, conditional or contingent in any manner on the purchaser obtaining a loan to finance any portion of the Purchase Price; it being the agreement of the purchaser that the purchaser shall be obligated to close "all cash".

In the event that purchaser elects to seek financing for the purchase of the Unit from a mortgage broker or mortgage lender designated by Developer (a "Preferred Lender") and if in fact (i) purchaser receives a Binding Commitment (as hereinafter defined) from the Preferred Lender, (ii) purchaser is approved for a loan and closes on a loan arranged by the Preferred Lender, and (iii) purchaser allows the title insurance to be provided by Hemisphere Title (or any other title company designated by Developer), then Developer has agreed (a) to pay, on behalf of purchaser, a portion of the closing expenses (the "Closing Costs Contribution") required to be paid by purchaser under the Purchase Agreement or in connection with the loan arranged by the Preferred Lender, as more particularly described in the Purchase Agreement, and (b) the development fee shall be reduced by a percentage to be more particularly described in the Purchase Agreement. In such instance, purchaser shall be obligated for payment of any and all closing costs in excess of the Closing Costs Contribution. The term "Binding Commitment" means a commitment by a Preferred Lender, including Developer, to make the loan, for an interest rate and "points" at or near the prevailing rates for similar loans as of closing and shall be deemed a Binding Commitment notwithstanding the fact that it may be subject to matters such as no adverse change in purchaser's financial condition, the sale or lease of real estate or other assets owned by purchaser, satisfying any judgments, delinquencies or liens against purchaser, and other conditions or contingencies.

The Developer is not obligated to provide a purchaser with a title opinion or an abstract of title. A policy of owner's title insurance, however, will be provided to a purchaser after closing.

The form of Purchase Agreement set forth as Exhibit "C" hereto may be modified in any manner in any particular case or cases without the consent of any other purchaser or Unit Owner (provided, however, that no amendment may conflict with the provisions of Chapter 718, Florida Statutes). The modification of any such Purchase Agreement or Purchase Agreements shall not vest any purchaser or Unit Owner whose Purchase Agreement was not so modified with any rights of any sort. Deposits under the Purchase Agreement will be held and disbursed in accordance with the Purchase Agreement.

15. Sales Commissions

The Developer will pay the sales commissions, if any, of the on-premises sales agents employed or otherwise retained by Developer in connection with the sale of the Units. The purchaser will be responsible for the commission of any other broker or salesperson with whom purchaser may have dealt, unless Developer otherwise agrees in writing.

16. Identity of Developer

**San Marino 355, LLC, a Florida limited liability company**, is the Developer of the Condominium. Being a relatively newly formed entity, it has no prior experience in the area of condominium or other real estate development. Mr. Jeffrey Lagomacini is the primary person involved in the marketing of the condominium and has approximately two (2) years of experience in the areas of real estate marketing and development, having been involved with the development of Visions at Fontainebleau Park I Condominium in Central Miami-Dade County, Florida, Visions at Fontainebleau Park II Condominium in Central Miami-Dade County, Florida, Venetian Palms Condominium in Miami, Florida, Villas Del Paraiso Condominium No. One in Hialeah, Florida, Puerta Del Sol, a Condominium in Miami, Florida and Villagio Condominium in Sarasota, Florida.

**The information provided above as to Mr. Lagomacini is given solely for the purpose of complying with Section 718.504(22), Florida Statutes, and is not intended to create or suggest any personal liability on the part of Mr. Lagomacini.**

17. Contracts to be Assigned by Developer

Upon or before closing of title to the first Unit, Developer shall assign to the Association all of Developer's right, title and interest in and to all contracts relating to the provision of utility, insurance and other services to the Condominium, and from and after such date, all benefits and burdens thereunder shall accrue and apply to the Association.

18. Estimated Operating Budgets

Attached hereto as Exhibit "B" is the Estimated Operating Budget for the Condominium Association. Purchaser understands and agrees that the Estimated Operating Budget provides only an estimate of what it will cost to run the Association during the period of time stated in the Budget and the Budget is not guaranteed to accurately predict actual expenditures. It is intended that the Developer, as the sole Unit Owner upon the formation of the Condominium, will elect not to provide any reserves for the initial year of the Association. Thereafter, on an annual basis, a majority of the Association's total voting interests (which may include the Developer, to the extent permitted by law) may vote to continue not to provide any reserves. If an election is in fact made to waive reserves, the assessments per unit will be as set forth in the Estimated Operating Budget as "Assessments per Unit - Without Reserves". If no such election is made, the assessments per Unit will be as set forth in the Estimated Operating Budget as "Assessments per Unit - With Reserves".

The Estimated Operating Budgets for the Master Association and the Neighborhood Association are also set forth as part of Exhibit "B" hereto. **Because the Master Association and the Neighborhood Association are on-going entities operating independently from the Condominium Association, the purchaser is advised that the budgets of, and assessments payable to, the Master Association and the Neighborhood Association may increase (based upon actual operating expenses and projections thereof), both before and after the closing under the purchaser's agreement.**



19. Easements Located or to be Located on the Condominium Property

In addition to the various easements to be provided for in the Declaration of Condominium attached hereto as Exhibit "A", and in the Master Covenants and the Neighborhood Covenants attached hereto in Part 2 hereof, the Condominium Property may be made subject to easements in favor of various public or private utilities. Any easement in favor of a public or private utility or similar company or authority may be granted by the Developer or the Association on a "blanket" basis or by use of a specific legal description. See the Section hereof entitled "Utilities and Certain Services" for the names of the suppliers of certain utilities to the Condominium.

For more details, refer to the Declaration of Condominium, the Master Covenants and the Neighborhood Covenants. The easements provided for in the Declaration of Condominium, the Master Covenants, the Neighborhood Covenants and the Florida Condominium Act are not summarized here.

In addition to the easements provided for in the Declaration of Condominium and those described above, the Master Covenants and the Neighborhood Covenants create certain easements in favor of the Master Association, the Neighborhood Association and their members. Some or all of these are "blanket" easements which are not limited to specifically described portions of the Condominium Property.

For more details, refer to the Master Covenants and the Neighborhood Covenants.

20. Disclosures

Under the laws of the State of Florida, each prospective purchaser is hereby advised as follows:

- RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health department. The foregoing notice is provided in order to comply with state law and is for informational purposes only. Developer does not conduct radon testing with respect to the Condominium and specifically disclaims any and all representations or warranties as to the absence of radon gas or radon producing conditions in connection with the Condominium.
- CHAPTER 558, FLORIDA STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY BRING ANY LEGAL ACTION FOR AN ALLEGED CONSTRUCTION DEFECT IN YOUR UNIT OR CONDOMINIUM. SIXTY DAYS BEFORE YOU BRING ANY LEGAL ACTION, YOU MUST DELIVER TO THE OTHER PARTY TO THIS AGREEMENT, A WRITTEN NOTICE REFERRING TO CHAPTER 558 OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE SUCH PERSON THE OPPORTUNITY TO INSPECT THE ALLEGED CONSTRUCTION DEFECTS AND TO CONSIDER MAKING AN OFFER TO REPAIR OR PAY FOR THE ALLEGED CONSTRUCTION DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER WHICH MAY BE MADE. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THIS FLORIDA LAW WHICH MUST BE MET AND FOLLOWED TO PROTECT YOUR INTERESTS.
- PURCHASER SHOULD NOT RELY ON THE DEVELOPER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE PURCHASER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.
- Given the climate and humid conditions in South Florida, molds, mildew, toxins and fungi may exist and/or develop within the Unit and/or the Condominium Property. Each purchaser is hereby advised that certain molds, mildew, toxins and/or fungi may be, or if allowed to remain for a sufficient period may become, toxic and potentially pose a health risk. By acquiring title to a Unit, each purchaser shall be deemed to have assumed the risks associated with molds, mildew, toxins and/or fungi and to have released the Developer from any and all liability resulting from same, including, without limitation, any liability for incidental or consequential damages (which may result from, without limitation, the inability to possess the Unit, inconvenience, moving costs, hotel costs, storage costs, loss of time, lost wages, lost opportunities and/or personal injury or death). Without limiting the generality of the foregoing, leaks, leaving exterior doors or windows open, wet flooring and moisture will contribute to the growth of mold, mildew, fungus or spores. Purchaser agrees that Developer is not responsible, and the Developer hereby disclaims any responsibility for any illness, personal injury, death or allergic reactions which may be experienced by purchaser, its family members and/or its or their guests, tenants and invitees and to any pets of persons aforementioned in this sentence, as a result of mold, mildew, fungus or spores. The Purchaser indemnifies and holds the Developer harmless from and against all claims for costs, expenses, personal injury, allergic reactions and death made by Purchaser and Purchaser's family members

and/or its guests, tenants and invitees and against any claims for injury or death to any pet of any of the persons herein mentioned. Purchaser must keep the Unit clean, dry, well-ventilated and free of contamination.

- Purchaser understands and agrees that for some time in the future, purchaser may be disturbed by the noise, commotion and other unpleasant effects of nearby construction activity and as a result purchaser may be impeded in using portions of the Condominium Property by that activity. Because the Condominium is located in an urban area, demolition or construction of buildings and other structures within the immediate area or within the view lines of any particular Unit or of any part of the Condominium (the "Views") may block, obstruct, shadow or otherwise affect Views, which may currently be visible from the Unit or from the Condominium. Therefore, purchaser agrees to release Developer and every affiliate and person related or affiliated in any way with the Developer ("Developer's Affiliates") from and against any and all losses, claims, demands, damages, costs and expenses of whatever nature or kind, including attorney's fees and costs, including those incurred through all arbitration and appellate proceedings, related to or arising out of any claim against the Developer or Developer's Affiliates related to Views or the disruption, noise, commotion, and other unpleasant effects of nearby development or construction. As a result of the foregoing, there is no guarantee of view, security, privacy, location, design, density or any other matter, except as is expressly set forth herein. Additionally, inasmuch as the Commercial Lots may attract customers, patrons and/or guests who are not members of the Association, the Master Association or the Neighborhood Association, such additional traffic over and upon the Common Elements and Common Areas shall not be deemed a nuisance.
- Each purchaser shall be deemed to understand and agree that the parking facilities and the storage areas may be located below the federal flood plain, and, accordingly, in the event of flooding, any automobiles and/or personal property stored therein is susceptible to water damage. Additionally, insurance premiums, both for the Association in insuring the parking and/or storage facilities, and for owners, may be higher than if the parking structure and/or storage facilities were above the federal flood plain. By acquiring title to, or taking possession of, a Unit, or accepting the assignment of a parking space and/or parking garage and/or carport and/or storage space/locker, each Owner shall be deemed to have agreed to assume any responsibility for loss, damage or liability resulting therefrom and waives any and all liability of Developer.
- Each purchaser is hereby advised that there are various methods for calculating the square footage of a Unit, and that depending on the method of calculation, the quoted square footage of a Unit may vary by more than a nominal amount. Additionally, as a result of in the field construction and other permitted changes to the Unit, actual square footage of a Unit may also be affected. Accordingly, during the pre-closing inspection, each purchaser should, among other things, review the size and dimensions of the Unit. By closing, each purchaser shall be deemed to have conclusively agreed to accept the size and dimensions of the Unit, regardless of any variances in the square footage from that which may have been disclosed at any time prior to closing, whether included as part of Developer's promotional materials or otherwise. Developer does not make any representation or warranty as to the actual size, dimensions or square footage of any Unit, and each purchaser shall be deemed to have waived and expressly released any such warranty and claim for loss or damages resulting from any variances between any represented or otherwise disclosed square footage and the actual square footage.

21. Evidence of Ownership

Developer is the fee simple owner of the property which is intended to be developed as the Condominium. Attached as Exhibit "D" to this Prospectus is evidence of the Developer's ownership interest in the Condominium Property.

22. Nearby Construction/Natural Disturbances

For some time in the future, purchasers may be disturbed by the noise, commotion and other unpleasant effects of nearby construction activity and impeded in using portions of the Condominium Property by that activity. As a result of the foregoing, there is no guarantee of view, security, privacy, location, design, density or any other matter, except as is set forth in this Prospectus. The Purchaser is advised to read Section 31 ("Nearby Activities and Views") of the Agreement regarding these issues.

Among other acts of God and uncontrollable events, hurricanes have occurred in Florida and, the Condominium is exposed to the potential damages of hurricanes, including, but not limited to, damages from storm surges and wind-driven rain. Water or other damages or personal injury or death from this or other extraordinary causes shall not be the responsibility of the Developer.

23. Conversion

The Condominium has been created by converting a previously existing apartment complex, and, accordingly, the Improvements have been previously occupied. In connection with the conversion, please refer to and review the following:

- (i) a copy of a conversion inspection report prepared by Eduardo Alberto Vazquez Architect, which discloses the condition of the condominium improvements, which report is attached hereto as Exhibit "E";
- (ii) a copy of a termite inspection report prepared by a Florida licensed pest operator, which report which is attached as part of Composite Exhibit "E";
- (iii) a copy of the Certificates of Occupancy for the improvements on the Condominium Property, which are attached as part of Composite Exhibit "E"; and
- (iv) a copy of a letter from the City of West Palm Beach regarding the conversion, which is attached as part of Composite Exhibit "E".

Notwithstanding that this Condominium is a conversion of previously occupied premises and was not constructed by Developer, Developer has elected to warrant the improvements solely to the extent provided in Section 718.618 Florida Statutes. Except only for those warranties provided in Section 718.618, Florida Statutes (and only to the extent applicable and not yet expired), and those of Section 718.203, Florida Statutes (to the extent applicable and not yet expired), to the maximum extent lawful Developer hereby disclaims any and all and each and every express or implied warranties, whether established by statutory, common, case law or otherwise, as to the design, construction, sound and/or odor transmission, existence and/or development of molds, mildew, toxins or fungi, furnishing and equipping of the Condominium Property, including, without limitation, any implied warranties of habitability, fitness for a particular purpose or merchantability, compliance with plans, all warranties imposed by statute (other than those imposed by Sections 718.618 and 718.203, Florida Statutes, and then only to the extent applicable and not yet expired) and all other express and implied warranties of any kind or character. Developer has not given and purchaser has not relied on or bargained for any such warranties. Each purchaser recognizes and agrees that the Unit and Condominium are not new construction. Each purchaser shall be deemed to represent and warrant to Developer that in deciding to acquire the Unit, the Unit Owner relied solely on such Unit Owner's independent inspection of the Unit and the Condominium as well as the conversion inspection reports included in the Prospectus. Purchaser has not received nor relied on any warranties and/or representations from Developer of any kind, other than as expressly provided herein.

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).

24. General

The foregoing is not intended to present a complete summary of all of the provisions of the various documents referred to herein, but does contain a fair summary of certain provisions of said documents. Statements made as to the provisions of such documents are qualified in all respects by the content of such documents.

25. Definitions

The definitions set forth in the Declaration of Condominium, the Master Covenants and the Neighborhood Covenants shall be applicable to this Prospectus, unless otherwise specifically stated or unless the context would prohibit.

26. Effective Date

This Prospectus is effective September 15, 2004.



**SCHEDULE "A"**

**Schedule of Bedrooms and Bathrooms**

<b><u>Unit Type</u></b>	<b><u>Bedrooms</u></b>	<b><u>Bathrooms</u></b>
A1	1	1
A2	1	1
A3	1	1
A4	1	1
B1	2	2
B2	2	2
C1	2	2
C2	2	2
C3	2	2
C4	2	2
D	3	2

For a description of Units by Unit Type, see Exhibit "2" to the Declaration.

This instrument prepared by, or under the supervision of  
(and after recording, return to):

Gary A. Saul, Esq.  
Greenberg Traurig, P.A.  
1221 Brickell Avenue  
Miami, FL 33131

(Reserved for Clerk of Court)

Exhibit "A"

DECLARATION  
OF  
EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM

San Marino 355, LLC, a Florida limited liability company, hereby declares:

1. Introduction and Submission.
  - 1.1 The Land. The Developer (as hereinafter defined) is the owner of that certain land, located in Palm Beach County, Florida, as more particularly described in **Exhibit "1"** attached hereto (the "Land").
  - 1.2 Submission Statement. Except as set forth in this Subsection 1.2, Developer hereby submits the Land and all improvements erected or to be erected thereon, and all other property, real, personal or mixed, now or hereafter situated on or within the Land - but excluding all public or private (e.g. cable television and/or other receiving or transmitting lines, fiber, antennae or equipment) utility installations therein or thereon and all leased property therein or thereon - to the condominium form of ownership and use in the manner provided for in the Florida Condominium Act as it exists on the date hereof and as it may be hereafter renumbered. Without limiting any of the foregoing, no property, real, personal or mixed, not located within or upon the Land as aforesaid shall for any purposes be deemed part of the Condominium or be subject to the jurisdiction of the Association, the operation and effect of the Florida Condominium Act or any rules or regulations promulgated pursuant thereto, unless expressly provided.
  - 1.3 Name. The name by which this condominium is to be identified is **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM** (hereinafter called the "Condominium").
2. Definitions. The following terms when used in this Declaration and in its exhibits, and as it and they may hereafter be amended, shall have the respective meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:
  - 2.1 "Act" means the Florida Condominium Act (Chapter 718 of the Florida Statutes) as it exists on the date hereof and as it may be hereafter renumbered.
  - 2.2 "Articles" or "Articles of Incorporation" mean the Articles of Incorporation of the Association, as amended from time to time.
  - 2.3 "Assessment" means a share of the funds required for the payment of Common Expenses which from time to time is assessed against the Unit Owner.
  - 2.4 "Association" or "Condominium Association" means **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**, a Florida corporation not for profit, the sole entity responsible for the operation of the Condominium.
  - 2.5 "Association Property" means that property, real and personal, which is owned or leased by, or is dedicated by a recorded plat to, the Association for the use and benefit of its members.
  - 2.6 "Board" or "Board of Directors" means the board of directors, from time to time, of the Association. Directors must be natural persons who are 18 years of age or older. Any person who has been convicted of any felony by any court of record in the United States and who has not had his or her right to vote restored pursuant to law in the jurisdiction of his or her residence is not eligible for Board membership (provided, however, that the validity of any Board action is not affected if it is later determined that a member of the Board is ineligible for Board membership due to having been convicted of a felony).

- 2.7 "Building" means the structure(s) in which the Units and the Common Elements are located, regardless of the number of such structures, which are located on the Condominium Property.
- 2.8 "By-Laws" mean the By-Laws of the Association, as amended from time to time.
- 2.9 "Charge" shall mean and refer to the imposition of any financial obligation by the Association which is not an Assessment as defined by Subsection 2.3 above. Accordingly, as to Charges, the Association will not have the enforcement remedies that the Act grants for the collection of Assessments.
- 2.10 "Committee" means a group of Board Members, Unit Owners or Board Members and Unit Owners appointed by the Board or a member of the Board to make recommendations to the Board regarding the proposed annual budget or to take action on behalf of the Board.
- 2.11 "Common Elements" mean and include:
- (a) The portions of the Condominium Property which are not included within either the Units and/or the Association Property.
  - (b) All structural columns and bearing walls regardless of where located.
  - (c) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units, Common Elements and/or the Association Property.
  - (d) An easement of support in every portion of a Unit which contributes to the support of the Building.
  - (e) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements and/or to the Association Property.
  - (f) Any other parts of the Condominium Property designated as Common Elements in this Declaration, which shall specifically include the surface water management system, if any, serving the Condominium Property.
  - (g) Any and all portions of the Life Safety Systems (as hereinafter defined), regardless of where located within the Condominium Property.
- 2.12 "Common Expenses" mean all expenses incurred by the Association for the operation, management, maintenance, repair, replacement or protection of the Common Elements and Association Property, the costs of carrying out the powers and duties of the Association, and any other expense, whether or not included in the foregoing, designated as a "Common Expense" by the Act, the Declaration, the Articles or the Bylaws. For all purposes of this Declaration, "Common Expenses" shall also include, without limitation, the following: (a) the costs relating to the operation, repair and maintenance of all Association Property; (b) all reserves required by the Act or otherwise established by the Association, regardless of when reserve funds are expended; (c) the cost of a master antenna television system or duly franchised cable or satellite television service obtained pursuant to a bulk contract; (d) the cost of any bulk contract for broadband, telecommunications, satellite and/or internet services, if any; (e) if applicable, costs relating to reasonable transportation services, road maintenance and operation expenses, management, administrative, professional and consulting fees and expenses, and in-house and/or interactive communications and surveillance systems; (f) the real property taxes, Assessments and other maintenance expenses attributable to any Units acquired by the Association or any Association Property; (g) to the extent that the Association determines to install exterior storm shutters, all expense of installation, repair, and maintenance of same by the Board (provided, however, that a Unit Owner who has already installed exterior storm shutters (or other acceptable hurricane protection) shall receive a credit equal to the pro rata portion of the assessed installation cost assigned to each Unit, but shall not be excused from any portion of expenses related to maintenance, repair, replacement or operation of same), including, without limitation, any and costs associated with putting the shutters on in the event of an impending storm and the costs of taking

the shutters off once the storm threat passes; (h) any lease or maintenance agreement payments required under leases or maintenance agreements for mechanical or other equipment, supplies, etc., including without limitation, leases for trash compacting, recycling and/or laundry equipment, if same is leased by the Association rather than being owned by it; (i) all expenses related to the installation, repair, maintenance, operation, alteration and/or replacement of Life Safety Systems (as hereinafter defined), (j) costs of fire, windstorm, flood, liability and all other types of insurance including, without limitation, and specifically, insurance for officers and directors of the Association; (k) costs of water and sewer, electricity, gas and other utilities which are not consumed by and metered to individual Units; (l) any and all assessments against the Condominium Property as a whole (as distinguished from assessments against the individual Units) pursuant to the Master Covenants (as hereinafter defined); (m) any and all assessments against the Condominium Property as a whole (as distinguished from assessments against the individual Units) pursuant to the Neighborhood Covenants (as hereinafter defined); (n) any and all costs, expenses, obligations and/or liabilities which may arise pursuant to the Sharing Agreement (as hereinafter defined); (o) costs resulting from damage to the Condominium Property which are necessary to satisfy any deductible and/or to effect necessary repairs which are in excess of insurance proceeds received as a result of such damage, and (p) any unpaid share of Common Expenses or Assessments extinguished by foreclosure of a superior lien or by deed in lieu of foreclosure. Common Expenses shall not include any separate obligations of individual Unit Owners and/or any assessments directly against Units or obligations of Unit Owners pursuant to the Master Covenants and/or the Neighborhood Covenants.

- 2.13 "Common Surplus" means the amount of all receipts or revenues, including Assessments, rents or profits, collected by the Association which exceeds Common Expenses.
- 2.14 "Condominium" shall have the meaning given to it in Subsection 1.3 above.
- 2.15 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to said Unit.
- 2.16 "Condominium Property" means the Land, Improvements and other property or property rights described in Subsection 1.2 hereof, subject to the limitations thereof and exclusions therefrom.
- 2.17 "County" means the County of Palm Beach, State of Florida.
- 2.18 "Declaration" or "Declaration of Condominium" means this instrument and all exhibits attached hereto, as same may be amended from time to time.
- 2.19 "Developer" means **San Marino 355, LLC, a Florida limited liability company**, its successors, nominees, affiliates and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with specific portions of the Condominium. In the event of any partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of Developer as are specifically assigned to it. Any such assignment may be made on a nonexclusive basis. Notwithstanding any assignment of the Developer's rights hereunder (whether partially or in full), the assignee shall not be deemed to have assumed any of the obligations of the Developer unless, and only to the extent that, it expressly agrees to do so in writing. The rights of Developer under this Declaration are independent of the Developer's rights to control the Board of Directors of the Association, and, accordingly, shall not be deemed waived, transferred or assigned to the Unit Owners, the Board or the Association upon the transfer of control of the Association. All rights which are specified in this Declaration to be rights of the Developer are mortgageable, pledgeable, assignable or transferable. Any successor to, or assignee of, the rights of the Developer hereunder (whether as the result of voluntary assignment, foreclosure, assignment in lieu of foreclosure or otherwise) shall hold or be entitled to exercise the rights of Developer hereunder as fully as if named as such party herein. No party exercising rights as Developer hereunder shall have or incur any liability for the acts of any other party which previously exercised or subsequently shall exercise such rights.
- 2.20 "Dispute", for purposes of Subsection 18.1, means any disagreement between two or more parties that involves: (a) the authority of the Board, under any law or under this Declaration, the Articles or



By-Laws to: (i) require any Owner to take any action, or not to take any action, involving that Owner's Unit or the appurtenances thereto; or (ii) alter or add to a common area or Common Element; or (b) the failure of the Association, when required by law or this Declaration, the Articles or By-Laws to: (i) properly conduct elections; (ii) give adequate notice of meetings or other actions; (iii) properly conduct meetings; or (iv) allow inspection of books and records. "Dispute" shall not include any disagreement that primarily involves title to any Unit or Common Element; the interpretation or enforcement of any warranty; or the levy of a fee or Assessment or the collection of an Assessment levied against a party.

- 2.21 "Division" means the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business and Professional Regulation, State of Florida, or its successor.
- 2.22 "First Mortgagee" shall have the meaning given to it in Subsection 13.6 below.
- 2.23 "Improvements" mean all structures and artificial changes to the natural environment (exclusive of landscaping) located or to be located on the Condominium Property, including, but not limited to, the Building.
- 2.24 "Institutional First Mortgagee" means a bank, savings and loan association, insurance company, mortgage company, real estate or mortgage investment trust, pension fund, an agency of the United States Government, a government sponsored entity, mortgage banker, the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC") or any other lender generally recognized as an institutional lender, or the Developer, holding a first mortgage on a Unit or Units. A "Majority of Institutional First Mortgagees" shall mean and refer to Institutional First Mortgagees of Units to which at least fifty-one percent (51%) of the voting interests of Units subject to mortgages held by Institutional First Mortgagees are appurtenant.
- 2.25 "Insured Property" shall have the meaning given to it in Subsection 14.2(a) below.
- 2.26 "Land" shall have the meaning given to it in Subsection 1.1 above.
- 2.27 "Life Safety Systems" mean and refer to any and all emergency lighting, emergency generators, audio and visual signals, safety systems, sprinklers and smoke detection systems, which are now or hereafter installed in the Building, whether or not within the Units. All such Life Safety Systems, together with all conduits, wiring, electrical connections and systems related thereto, regardless of where located, shall be deemed Common Elements hereunder. Without limiting the generality of the foregoing, when the context shall so allow, the Life Safety Systems shall also be deemed to include all means of emergency ingress and egress, which shall include all stairways and stair landings. Notwithstanding the breadth of the foregoing definition, nothing herein shall be deemed to suggest or imply that the Building or the Condominium contains all such Life Safety Systems. Notwithstanding anything herein contained to the contrary, any portion of the Life Safety Systems, as defined above, which serves any property other than the Condominium governed by the Master Covenants, the Neighborhood Covenants and/or the Common Areas (as defined in the Master Covenants and the Neighborhood Covenants), shall be deemed excluded from the Life Safety Systems hereunder, if part of the Common Areas governed by the Master Covenants and/or the Neighborhood Covenants.
- 2.28 "Limited Common Elements" mean those Common Elements the use of which is reserved to a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. References herein to Common Elements also shall include all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.
- 2.29 "Master Association" means Laguna Master Association, Inc., a Florida corporation not for profit, being the entity responsible for the administration of the Master Covenants.
- 2.30 "Master Covenants" mean the Declaration of Covenants and Restrictions for the Lakes of Laguna dated April 21, 1997 and recorded April 30, 1997 in Official Records Book 9770, at Page 849 of the Public Records of the County, and when the context permits, shall also mean the Articles of Incorporation and By-Laws of the Master Association, all as now or hereafter amended, modified or supplemented.

- 2.31 "Material Amendment" shall have the meaning given to it in Subsection 6.2 below.
- 2.32 "Neighborhood Association" means Laguna II Neighborhood Association, Inc., a Florida corporation not for profit, being the entity responsible for the administration of the Neighborhood Covenants.
- 2.33 "Neighborhood Covenants" mean the Neighborhood Covenants for the Laguna II Neighborhood Association, Inc. dated December 21, 2001 and recorded January 17, 2002 in Official Records Book 13321, at Page 956 of the Public Records of the County, and when the context permits, shall also mean the Articles of Incorporation and By-Laws of the Neighborhood Association, all as now or hereafter amended, modified or supplemented.
- 2.34 "Optional Property" shall have the meaning given to it in Subsection 14.5(b) below.
- 2.35 "Primary Institutional First Mortgagee" means the Institutional First Mortgagee which owns, at the relevant time, Unit mortgages securing a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee.
- 2.36 "Sharing Agreement" means the Cost Sharing and Cooperation Agreement dated November 16, 2000 and recorded November 17, 2000 in Official Records Book 12141, at Page 1131 of the Public Records of the County.
- 2.37 "Unit" means a part of the Condominium Property which is subject to exclusive ownership. References herein to "Parcels" shall include Units unless the context prohibits or it is otherwise expressly provided.
- 2.38 "Unit Owner" or "Owner of a Unit", or "Owner" means a record owner of legal title to a Condominium Parcel.

Unless the context otherwise requires, any capitalized term not defined but used herein which is defined in the Master Covenants or the Neighborhood Covenants shall have the meaning given to such word or words in such documents.

3. Description of Condominium.

- 3.1 Identification of Units. The Land has constructed thereon seventeen (17) Buildings containing a total of three hundred fifty five (355) Units. Each such Unit is identified by a separate numerical and/or alpha-numerical designation. The designation of each of such Units is set forth on Exhibit "2" attached hereto. Exhibit "2" consists of a survey of the Land, a graphic description of the Improvements located thereon, including, but not limited to, the Building in which the Units are located, and a plot plan thereof. Said Exhibit "2", together with this Declaration, is sufficient in detail to identify the Common Elements and each Unit and their relative locations and dimensions. There shall pass with a Unit as appurtenances thereto: (a) an undivided share in the Common Elements and Common Surplus; (b) the exclusive right to use such portion of the Common Elements as may be provided in this Declaration, including, without limitation, the right to transfer such right to other Units or Unit Owners; (c) an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, provided that an easement in airspace which is vacated shall be terminated automatically; (d) membership in the Association with the full voting rights appurtenant thereto; and (e) other appurtenances as may be provided by this Declaration.
- 3.2 Unit Boundaries. Each Unit shall include that part of the Building containing the Unit that lies within the following boundaries:
- (a) Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their planar intersections with the perimetrical boundaries:
- (i) Upper Boundaries. The horizontal plane of the unfinished lower surface of the ceiling (which will be deemed to be the ceiling of the upper story if the Unit is a

multi-story Unit, provided that in multi-story Units where the lower boundary extends beyond the upper boundary, the upper boundary shall include that portion of the ceiling of the lower floor for which there is no corresponding ceiling on the upper floor directly above such bottom floor ceiling).

- (ii) Lower Boundaries. The horizontal plane of the unfinished upper surface of the floor of the Unit (which will be deemed to be the floor of the first story if the Unit is a multi-story Unit, provided that in multi-story Units where the upper boundary extends beyond the lower boundary, the lower boundary shall include that portion of the floor of the upper floor for which there is no corresponding floor on the bottom floor directly below the floor of such top floor).
- (iii) Interior Divisions. Except as provided in Subsections 3.2(a)(i) and 3.2(a)(ii) above, no part of the floor of the top floor, ceiling of the bottom floor, stairwell adjoining the multi-floors, in all cases of a multi-story Unit, if any, or nonstructural interior walls shall be considered a boundary of the Unit.
- (b) Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.
- (c) Apertures. Where there are apertures in any boundary, including, but not limited to, windows, doors, bay windows and skylights, such boundaries shall be extended to include the windows, doors and other fixtures located in such apertures, including all frameworks, window casings and weather stripping thereof, together with exterior surfaces made of glass or other transparent materials; provided, however, that the exteriors of doors facing interior Common Element hallways shall not be included in the boundaries of the Unit and shall therefore be Common Elements. Further, notwithstanding anything herein contained to the contrary, the structural components of the Building, and the Life Safety Systems, regardless of where located, are expressly excluded from the Units and are instead deemed Common Elements.
- (d) Exceptions. In cases not specifically covered above, and/or in any case of conflict or ambiguity, the survey of the Units set forth as Exhibit "2" hereto shall control in determining the boundaries of a Unit, except that the provisions of Subsection 3.2(c) above shall control unless specifically depicted and labeled otherwise on such survey.

3.3 Limited Common Elements. Each Unit may have, to the extent applicable and subject to the provisions of this Declaration, as Limited Common Elements appurtenant thereto:

- (a) Patios, Balconies, Roof Decks, Terraces, Roof Terraces and/or Lanais appurtenant to Units. Any patio, balcony, roof deck, terrace, roof terrace and/or lanai (and all improvements thereto) as to which direct and exclusive access shall be afforded to any particular Unit or Units to the exclusion of others shall be a Limited Common Element of such Unit(s). The Association shall be responsible for the maintenance of the structural and mechanical elements of any such Limited Common Elements, with the costs of same being a part of the Common Expenses. Each Unit Owner shall, however, be responsible for the maintenance of any other portions of such areas, for the general cleaning, plant care and upkeep of the appearance of the area(s) and for the repair and replacement of any existing floor coverings and/or any floor coverings hereafter placed or installed on any patio, balcony, terrace, roof deck, terrace, roof terrace and/or lanai. A Unit Owner using a patio, balcony, terrace, roof deck, terrace, roof terrace and/or lanai or making or causing to be made any additions, alterations or improvements thereto agrees, and shall be deemed to have agreed, for such Owner, and his or her heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Developer and all other Unit Owners harmless from and to indemnify them for any liability or damage to the Condominium and/or Association Property and expenses arising therefrom.
- (b) Parking Spaces. Each parking space shown on Exhibit "2" attached hereto shall be a Limited Common Element only upon it being assigned as such to a particular Unit in the

manner described herein. Until such time as Developer is no longer offering Units for sale in the ordinary course of business, Developer hereby reserves and shall have (and after such period the Association, acting through its Board, shall have) the right to assign, with or without consideration, the exclusive right to use any parking space located within the Common Elements of the Condominium to one or more Units, whereupon the space so assigned shall be deemed a Limited Common Element of the Unit(s) to which it is assigned. Such assignment shall not be recorded in the Public Records of the County but, rather, shall be made by way of instrument placed in the official records of the Association (as same are defined in the By-Laws). Further, a Limited Common Element parking space may be relocated at any time, and from time to time, by the Board to comply with applicable federal, state and local laws and regulations regarding or affecting handicap accessibility. A Unit Owner may assign the Limited Common Element parking space appurtenant to his or her Unit to another Unit by written instrument delivered to (and to be held by) the Association. The maintenance of any parking space so assigned shall be the responsibility of the Association. EACH UNIT OWNER ACKNOWLEDGES AND AGREES THAT A PORTION OF THE PARKING AREAS MAY BE LOCATED BELOW THE FEDERAL FLOOD PLAIN, AND, ACCORDINGLY, IN THE EVENT OF FLOODING, ANY AUTOMOBILES AND/OR PERSONAL PROPERTY STORED THEREIN IS SUSCEPTIBLE TO WATER DAMAGE. ADDITIONALLY, INSURANCE RATES, BOTH FOR THE ASSOCIATION IN INSURING THE PARKING AREAS, AND FOR OWNERS, MAY BE HIGHER THAN IF THE PARKING AREAS WERE ABOVE THE FEDERAL FLOOD PLAIN. BY ACQUIRING TITLE TO, OR TAKING POSSESSION OF, A UNIT, OR ACCEPTING THE ASSIGNMENT OF A PARKING SPACE, EACH OWNER, FOR HIMSELF OR HERSELF AND HIS OR HER TENANTS, GUESTS AND INVITEES, HEREBY EXPRESSLY ASSUMES ANY RESPONSIBILITY FOR LOSS, DAMAGE OR LIABILITY RESULTING THEREFROM.

- (c) Storage Spaces. Until such time as Developer is no longer offering Units for sale in the ordinary course of business, Developer hereby reserves and shall have (and after such period the Association, acting through its Board, shall have) the right to assign, with or without consideration, the exclusive right to use any storage space, if any, now or hereafter located within the Common Elements of the Condominium to one or more Units, whereupon the space so assigned shall be deemed a Limited Common Element of the Unit(s) to which it is assigned. Such assignment shall not be recorded in the Public Records of the County but, rather, shall be made by way of instrument placed in the official records of the Association (as same are defined in the By-Laws). After assignment to a Unit by the Developer, a Unit Owner may reassign the Limited Common Element storage space appurtenant to his Unit to another Unit by written instrument delivered to (and to be held by) the Association. The maintenance of any space so assigned, the fencing of such space, as well as the insurance of its contents, shall be the sole responsibility of the Owner of the Unit(s) to which it is assigned. EACH UNIT OWNER ACKNOWLEDGES AND AGREES THAT CERTAIN OF THE STORAGE AREAS MAY BE LOCATED BELOW THE FEDERAL FLOOD PLAIN, AND, ACCORDINGLY, IN THE EVENT OF FLOODING, ANY PERSONAL PROPERTY STORED THEREIN IS SUSCEPTIBLE TO WATER DAMAGE. ADDITIONALLY, INSURANCE PREMIUMS, BOTH FOR THE ASSOCIATION IN INSURING THE STORAGE AREAS, AND FOR OWNERS, MAY BE HIGHER THAN IF THE AREAS WERE ABOVE THE FEDERAL FLOOD PLAIN. BY ACCEPTING THE ASSIGNMENT OF A STORAGE LOCKER, EACH OWNER, FOR SUCH OWNER AND THE OWNER'S TENANTS, GUESTS AND INVITEES, HEREBY EXPRESSLY ASSUMES ANY RESPONSIBILITY FOR LOSS, DAMAGE OR LIABILITY RESULTING THEREFROM.
- (d) Miscellaneous Areas, Equipment. Except to the extent that same are located within the boundaries of a Unit, any fixtures or equipment (e.g., an air conditioning compressor, other portions of any air conditioning systems, and/or heater, if any, or hot water heater) serving a Unit or Units exclusively and any area (e.g., a closet, roof space or ground slab) upon/within which such fixtures or equipment are located shall be Limited Common Elements of such Unit(s). Without limiting the foregoing, each air conditioning unit (and all equipment and fixtures constituting an individual air conditioning system) located on the

roof of a Building which serves one Unit shall be deemed a Limited Common Element of the Unit it serves. The maintenance (and cost) of any such fixtures and/or equipment and/or areas so assigned shall be the sole responsibility of the Owner of the Unit(s) to which the fixtures and/or equipment are appurtenant.

- (e) Other. Any other portion of the Common Elements which, by its nature, cannot serve all Units but serves one Unit or more than one Unit (i.e., any hallway and/or elevator landing serving a single Unit or more than one (1) Unit owned by the same Owner) shall be deemed a Limited Common Element of the Unit(s) served and shall be maintained by said Owner. In the event of any doubt or dispute as to whether any portion of the Common Elements constitutes a Limited Common Element or in the event of any question as to which Units are served thereby, a decision shall be made by a majority vote of the Board of Directors of the Association and shall be binding and conclusive when so made. To the extent of any area deemed a Limited Common Element hereunder, the Owner of the Unit(s) to which the Limited Common Element is appurtenant shall have the right to alter same as if the Limited Common Element were part of the Owner's Unit, rather than as required for alteration of Common Elements. Notwithstanding the foregoing, the designation of same as a Limited Common Element hereunder shall not allow the Owner of the Unit to which the Limited Common Element is appurtenant to preclude, or in any way interfere with the passage through such areas as may be needed from time to time for emergency ingress and egress, and for the maintenance, repair, replacement, alteration and/or operation of the elevators, Life Safety Systems, mechanical equipment and/or other Common Elements which are most conveniently serviced (in the sole determination of the Board) by accessing such areas (and an easement is hereby reserved for such purposes).

3.4 Easements. The following easements are hereby created (in addition to any easements created under the Act and any easements affecting the Condominium Property and recorded in the Public Records of the County):

- (a) Support. Each Unit, the Building and the Improvements shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units, the Common Elements, and/or the Association Property and any other structure or improvement which abuts any Unit, the Building or any Improvements, including without limitation, any structures now or hereafter governed by the Master Covenants and/or the Neighborhood Covenants.
- (b) Utility and Other Services; Drainage. Easements are reserved under, through and over the Condominium Property as may be required from time to time for utility, cable television, communications and monitoring systems, Life Safety Systems, digital or other satellite systems, broadband communications and other services and drainage in order to serve the Condominium and/or members of the Association, the Master Association and/or the Neighborhood Association. A Unit Owner shall do nothing within or outside his or her Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility, cable television, communications, monitoring systems, Life Safety Systems, digital and/or other satellite systems, broadband communications or other service or drainage facilities or the use of these easements. The Association shall have an irrevocable right of access to each Unit to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility, cable television, communications, monitoring systems, Life Safety Systems, digital or other satellite systems, broadband communications and similar systems, hot water heaters and drainage facilities, and Common Elements contained in the Unit or elsewhere in the Condominium Property, and to remove any Improvements interfering with or impairing such facilities or easements herein reserved; provided such right of access, except in the event of an emergency, shall not unreasonably interfere with the Unit Owner's permitted use of the Unit, and except in the event of an emergency, entry shall be made on not less than one (1) days' notice (which notice shall not, however, be required if the Unit Owner is absent when the giving of notice is attempted).

- (c) Encroachments. If (i) any portion of the Common Elements and/or the Association Property encroaches upon any Unit (or Limited Common Element appurtenant thereto); (ii) any Unit (or Limited Common Element appurtenant thereto) encroaches upon any other Unit or upon any portion of the Common Elements and/or the Association Property; or (iii) any encroachment shall hereafter occur as a result of (A) settling or shifting of the Improvements; (B) any alteration or repair to the Common Elements and/or the Association Property made by or with the consent of the Association or Developer, as appropriate, or (C) any repair or restoration of the Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements and/or the Association Property, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of same so long as the Improvements shall stand.
- (d) Ingress and Egress. A non-exclusive easement in favor of each Unit Owner and resident, their guests and invitees, and for each member of the Association, the Master Association and the Neighborhood Association shall exist for pedestrian traffic over, through and across sidewalks, streets, paths, walks, and other portions of the Common Elements and Association Property as from time to time may be intended and designated for such purpose and use by the Board; and for vehicular and pedestrian traffic over, through and across, and parking on, such portions of the Common Elements and Association Property as from time to time may be paved and intended for such purposes. None of the easements specified in this Subsection 3.4(d) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) automatically shall be subordinate to the rights of Unit Owners and the Association with respect to such easements.
- (e) Construction; Maintenance. The Developer (including its affiliates and its or their designees, contractors, successors and assigns) shall have the right, in its (and their) sole discretion from time to time, to enter the Condominium Property and/or Association Property and take all other action necessary or convenient for the purpose of undertaking and completing the construction and/or renovation thereof and/or any portion of the Condominium Property and/or Association Property, or any part thereof, or any improvements, structures, facilities or Units located or to be located thereon, and/or any improvements located or to be located adjacent thereto and for repair, replacement and maintenance or warranty purposes or where the Developer, in its sole discretion, determines that it is required or desires to do so. The Association (and its designees, contractors, subcontractors, employees) shall have the right to have access to each Unit from time to time during reasonable hours as may be necessary for pest control purposes and for the maintenance, repair or replacement of any Common Elements or any portion of a Unit, if any, to be maintained by the Association, or at any time and by force, if necessary, to prevent damage to the Common Elements, the Association Property or to a Unit or Units, including, without limitation, (but without obligation or duty) to close exterior storm shutters in the event of the issuance of a storm watch or storm warning.
- (f) Sales and Leasing Activity. For as long as the Developer (or any of its affiliates) offers Units for sale in the ordinary course of its business, the Developer, its designees, successors and assigns, shall have the right to use any Units owned by Developer (or its affiliates) and all of the Common Elements or Association Property for guest accommodations, model apartments and sales, leasing, management, administration and construction offices, provide financial services, to show model Units and/or apartments and the Common Elements and/or any other portions of the Condominium Property or such neighboring property to prospective purchasers and tenants of Units and/or "units" or "apartments" constructed on any neighboring properties, and to erect on the Condominium Property and Association Property signs, displays and other promotional material to advertise Units or other properties for sale or lease (and an easement is hereby reserved for all such purposes and without the requirement that any consideration be paid by the Developer to the Association or to any Unit Owner).

- (g) **Warranty.** For as long as Developer remains liable under any warranty, whether statutory, express or implied, for acts or omissions of Developer in the development, construction, sale, resale, leasing, financing and marketing of the Condominium, then Developer and its contractors, agents and designees shall have the right, in Developer's sole discretion and from time to time and without requiring prior approval of the Association and/or any Unit Owner and without requiring any consideration to be paid by the Developer to the Unit Owners and/or Condominium Association (provided, however, that absent an emergency situation, Developer shall provide reasonable advance notice), to enter the Condominium Property, including the Units, Common Elements and Limited Common Elements, for the purpose of inspecting, testing and surveying same to determine the need for repairs, improvements and/or replacements, and effecting same, so that Developer can fulfill any of its warranty obligations. The failure of the Association or any Unit Owner to grant, or to interfere with, such access, shall alleviate the Developer from having to fulfill its warranty obligations and the costs, expenses, liabilities or damages arising out of any unfulfilled Developer warranty will be the sole obligation and liability of the person or entity who or which impedes the Developer in any way in Developer's activities described in this Subsection 3.4(g). The easements reserved in this Section shall expressly survive the transfer of control of the Association to Unit Owners other than the Developer and the issuance of any certificates of occupancy for the Condominium Property (or portions thereof). **Nothing herein shall be deemed or construed as the Developer making or offering any warranty, all of which are disclaimed (except to the extent same may not be or are expressly set forth herein) as set forth in Section 23 below.**
- (h) **Exterior Building Maintenance.** An easement is hereby reserved on, through and across each Unit and all Limited Common Elements appurtenant thereto in order to afford access to the Association (and its contractors) to perform roof repairs and/or replacements, repair, replace, maintain and/or alter rooftop mechanical equipment, to stage window washing equipment and to perform window washing and/or any other exterior maintenance and/or painting of the Building.
- (i) **Master Association Easements.** The Master Association and its agents, employees, contractors and assigns shall have an easement to enter onto the Condominium Property for the purpose of performing such functions as are permitted or required to be performed by such Association by the Master Covenants, including, but not limited to, maintenance, repair, replacement and alteration of Common Areas, as and to the extent permitted by the Master Covenants. All easements and rights provided for in the Master Covenants in favor of the Master Association, its respective members are hereby granted to said Master Association and its members, as and to the extent provided by the Master Covenants.
- (j) **Neighborhood Association Easements.** The Neighborhood Association and its agents, employees, contractors and assigns shall have an easement to enter onto the Condominium Property for the purpose of performing such functions as are permitted or required to be performed by such Association by the Neighborhood Covenants, including, but not limited to, maintenance, repair, replacement and alteration of Common Areas, as and to the extent permitted by the Neighborhood Covenants. All easements and rights provided for in the Neighborhood Covenants in favor of the Neighborhood Association, its respective members are hereby granted to said Neighborhood Association and its members, as and to the extent provided by the Neighborhood Covenants.
- (k) **Additional Easements.** The Association, through its Board, on the Association's behalf and on behalf of all Unit Owners (each of whom hereby appoints the Association as its attorney-in-fact for this purpose), shall have the right to grant such additional general ("blanket") and specific electric, gas or other utility, cable television, security systems, communications or service easements (and appropriate bills of sale for equipment, conduits, pipes, lines and similar installations pertaining thereto), or modify or relocate any such existing easements or drainage facilities, in any portion of the Condominium and/or Association Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium and/or Association Property, as the Board shall deem necessary or desirable for the proper operation and maintenance of the



Improvements, or any portion thereof, or for the general health or welfare of the Unit Owners and/or members of the Association, or for the purpose of carrying out any provisions of this Declaration, the Master Covenants and the Neighborhood Covenants, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes.

4. Restraint Upon Separation and Partition of Common Elements. The undivided share in the Common Elements and Common Surplus which is appurtenant to a Unit, and the exclusive right to use all appropriate appurtenant Limited Common Elements, shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described. The appurtenant share in the Common Elements and Common Surplus, and the exclusive right to use all Limited Common Elements appurtenant to a Unit, except as elsewhere herein provided to the contrary, cannot be conveyed or encumbered except together with the Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall lie, except as provided herein with respect to termination of the Condominium.
5. Ownership of Common Elements and Common Surplus and Share of Common Expenses; Voting Rights
  - 5.1 Percentage Ownership and Shares in the Common Elements. The undivided percentage interest in the Common Elements and Common Surplus, and the percentage share of the Common Expenses, appurtenant to each Unit, is based upon the total square footage of each Unit in uniform relationship to the total square footage of each other Unit, as set forth on Exhibit "3" attached hereto.
  - 5.2 Voting. Each Unit shall be entitled to one (1) vote to be cast by its Owner in accordance with the provisions of the By-Laws and Articles of Incorporation of the Association. Each Unit Owner shall be a member of the Association.
6. Amendments. Except as elsewhere provided herein, amendments may be effected as follows:
  - 6.1 By The Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association or by not less than one-third (1/3) of the Unit Owners. Except as elsewhere provided, approvals must be by an affirmative vote representing in excess of 66 2/3% of the voting interests of all Unit Owners. Directors and Unit Owners not present in person or by proxy at the meeting considering the amendment may express their approval or disapproval in writing, provided that such approval or disapproval is delivered to the secretary at or prior to the meeting, however, such approval or disapproval may not be used as a vote for or against the action taken and may not be used for the purpose of creating a quorum.
  - 6.2 Material Amendments. Unless otherwise provided specifically to the contrary in this Declaration, no amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to any Unit, or change the percentage by which the Owner of a Unit shares the Common Expenses and owns the Common Elements and Common Surplus (any such change or alteration being a "Material Amendment"), unless the record Owner(s) thereof, and all record owners of mortgages or other liens thereon, shall join in the execution of the amendment and the amendment is otherwise approved by in excess of 66 2/3% of the voting interests of Unit Owners. The acquisition of property by the Association, material alterations or substantial additions to such property or the Common Elements by the Association and installation, replacement, operation, repair and maintenance of approved exterior storm shutters, if in accordance with the provisions of this Declaration, shall not be deemed to constitute a material alteration or modification of the appurtenances of the Units, and accordingly, shall not constitute a Material Amendment.
  - 6.3 Mortgagee's Consent. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to any Institutional First Mortgagees or the Primary Institutional First Mortgagee without the consent of the aforesaid Institutional First Mortgagees in each instance; nor shall an



amendment make any change in the sections hereof entitled "Insurance", "Reconstruction or Repair after Casualty", or "Condemnation" unless the Primary Institutional First Mortgagee shall join in the amendment. Except as specifically provided herein or if required by FNMA or FHLMC, the consent and/or joinder of any lien or mortgage holder on a Unit shall not be required for the adoption of an amendment to this Declaration and, whenever the consent or joinder of a lien or mortgage holder is required, such consent or joinder shall not be unreasonably withheld.

- 6.4 Water Management District. No amendment may be adopted which would affect the drainage and/or surface water management and/or drainage systems, including environmental conservation areas, without the consent of the applicable water management district (the "District"). The District shall determine whether the amendment necessitates a modification of the current surface water management permit. If a modification is necessary, the District will advise the Association.
- 6.5 By or Affecting the Developer. Notwithstanding anything herein contained to the contrary, during the time the Developer has the right to elect a majority of the Board of Directors of the Association, the Declaration, the Articles of Incorporation or the By-Laws of the Association may be amended by the Developer alone, without requiring the consent of any other party, to effect any change whatsoever, except for an amendment: (a) to permit time-share estates (which must be approved, if at all, by all Unit Owners and mortgagees on Units); or (b) to effect a Material Amendment which must be approved, if at all, in the manner set forth in Subsection 6.2 above. The unilateral amendment right set forth herein shall include, without limitation, the right to correct scrivener's errors. No amendment may be adopted (whether to this Declaration or any of the Exhibits hereto) which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer, without the prior written consent of the Developer in each instance.
- 6.6 Execution and Recording. An amendment, other than amendments made by the Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association, executed either by the President of the Association or a majority of the members of the Board of Directors which shall include recording data identifying the Declaration and shall be executed with the same formalities required for the execution of a deed. An amendment of the Declaration is effective when the applicable amendment is properly recorded in the public records of the County. No provision of this Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of this Declaration shall contain the full text of the provision to be amended; new words shall be inserted in the text underlined; and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Declaration. See provision . . . for present text." Nonmaterial errors or omissions in the amendment process shall not invalidate an otherwise properly adopted amendment.

7. Maintenance and Repairs.

- 7.1 Units and Limited Common Elements. All maintenance, repairs and replacements of, in or to any Unit and Limited Common Elements appurtenant thereto, whether structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen, including, without limitation, maintenance, repair and replacement of windows, window coverings, interior nonstructural walls, the interior side of any entrance door and all other doors within or affording access to a Unit, and the electrical (including wiring), plumbing (including fixtures and connections), heating and air-conditioning equipment, fixtures and outlets, appliances, carpets and other floor coverings, all interior surfaces and the entire interior of the Unit lying within the boundaries of the Unit or the Limited Common Elements or other property belonging to the Unit Owner, shall be performed by the Owner of such Unit at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein.

- 7.2 Common Elements and Association Property. Except to the extent (a) expressly provided to the contrary herein, or (b) proceeds of insurance are made available therefor, all maintenance, repairs and replacements in or to the Common Elements (other than those Limited Common Elements or portions thereof to be maintained by the Unit Owners as provided above) and Association Property and/or required under the Sharing Agreement shall be performed by the Association and the cost and expense thereof shall be assessed to all Unit Owners as a Common Expense, except to the extent arising from or necessitated by the negligence, misuse or neglect of specific Unit Owners, in which case such cost and expense shall be paid solely by such Unit Owners as a Charge.
- 7.3 Specific Unit Owner Responsibility. The obligation to maintain and repair any air conditioning and heating equipment, plumbing or electrical feeds, fixtures, screens (whether on windows or doors), screened enclosures and screen doors serving the Unit, or other items of property which service a particular Unit or Units (to the exclusion of other Units) shall be the responsibility of the applicable Unit Owners, individually, and not the Association, without regard to whether such items are included within the boundaries of the Units.
8. Additions, Improvements or Alterations by the Association. Except only as provided below to the contrary, whenever in the judgment of the Board of Directors, the Common Elements, the Association Property, or any part of either, shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of three percent (3%) of the then applicable budget of the Association in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by an affirmative vote representing a majority of the voting interests represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, the Association Property, or any part of either, costing in the aggregate three percent (3%) of the then applicable budget of the Association or less in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements or Association Property shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses. For purposes of this Section, "aggregate in any calendar year" shall include the total debt incurred in that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is required to be made beyond that year. All additions, alterations and improvements proposed to be made by the Developer and the Association may also be subject to the rights of the Master Association as, but only to the extent provided in, the Master Covenants and to the rights of the Neighborhood Association as, but only to the extent provided in, the Neighborhood Covenants.
9. Additions, Alterations or Improvements by Unit Owner.
- 9.1 Consent of the Board of Directors. No Unit Owner shall make any addition, alteration or improvement in or to the Common Elements, the Association Property, the Unit or any structural addition, alteration or improvement in or to his or her Unit, the Common Elements or any Limited Common Element or any change to his or her Unit which is visible from any other Unit, the Common Elements and/or the Association Property, without, in each instance, the prior written consent of the Board of Directors of the Association, the Master Association and the Neighborhood Association, to the extent required by the Master Covenants and the Neighborhood Covenants. Without limiting the generality of this Subsection 9.1, no Unit Owner shall cause or allow improvements or changes to his or her Unit, or to any Limited Common Elements, Common Elements or any property of the Condominium Association which does or could in any way affect, directly or indirectly, the structural, electrical, plumbing, Life Safety Systems, or mechanical systems, or any landscaping or drainage, of any portion of the Condominium Property, without first obtaining the written consent of the Board of the Association. No spas, hot tubs, whirlpools, infant portable pools or similar types of products will be permitted to be placed or installed on any lanai, terrace, balcony, or patio which is appurtenant to any Unit. The Board shall have the obligation to answer, in writing, any written request by a Unit Owner for approval of such an addition, alteration or improvement within thirty (30) days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent. The Board may condition the approval in any manner, including, without limitation, retaining approval rights of the contractor, or others, to perform the work, imposing conduct standards on all

such workers, establishing permitted work hours and requiring the Unit Owner to obtain insurance naming the Developer and the Association as additional named insureds. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. Once approved by the Board of Directors, such approval may not be revoked. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and his or her heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Developer and all other Unit Owners harmless from and to indemnify them for any liability or damage to the Condominium and/or Association Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Association. The Association's rights of review and approval of plans and other submissions under this Declaration are intended solely for the benefit of the Association. Neither the Developer, the Association nor any of its officers, directors, employees, agents, contractors, consultants or attorneys shall be liable to any Owner or any other person by reason of mistake in judgment, failure to point out or correct deficiencies in any plans or other submissions, negligence, or any other misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval of any plans or submissions.

Anyone submitting plans hereunder, by the submission of same, and any Owner, by acquiring title to same, agrees not to seek damages from the Developer and/or the Association arising out of the Association's review of any plans hereunder. Without limiting the generality of the foregoing, the Association shall not be responsible for reviewing, nor shall its review of any plans be deemed approval of, any plans from the standpoint of structural safety, soundness, workmanship, materials, usefulness, conformity with building or other codes or industry standards, or compliance with governmental requirements. Further, each Owner (including the successors and assigns) agrees to indemnify and hold the Developer and the Association harmless from and against any and all costs, claims (whether rightfully or wrongfully asserted), damages, expenses or liabilities whatsoever (including, without limitation, reasonable attorneys' fees and court costs at all trial and appellate levels), arising out of any review of plans by the Association hereunder.

9.2 Life Safety Systems. No Unit Owner shall make any additions, alterations or improvements to the Life Safety Systems, and/or to any other portion of the Condominium Property which may alter or impair the Life Safety Systems or access to the Life Safety Systems, without first receiving the prior written approval of the Board. In that regard, no lock, chain or other device or combination thereof shall be installed or maintained at any time on or in connection with any door on which panic hardware or fire exit hardware is required. Stairwell identification and emergency signage shall not be altered or removed by any Unit Owner whatsoever. No barrier including, but not limited to personalty, shall impede the free movement of ingress and egress to and from all emergency ingress and egress passageways.

9.3 Improvements, Additions or Alterations by Developer. Anything to the contrary notwithstanding, the foregoing restrictions of this Section 9 shall not apply to Developer-owned Units and/or improvements made thereto. The Developer shall have the additional right, without the consent or approval of the Association, the Board of Directors or other Unit Owners, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it and Limited Common Elements appurtenant thereto (including, without limitation, the removal of walls, windows, doors, glass sliding doors, floors, ceilings and other structural portions of the Improvements and/or the installation of signs) and (b) expand or add to all or any part of the recreational facilities. Any amendment to this Declaration required by a change made by the Developer pursuant to this Subsection 9.3 shall be adopted in accordance with Section 6 and Section 10 of this Declaration.

10. Changes in Developer-Owned Units. Without limiting the generality of the provisions of Subsection 9.3 above, and anything to the contrary notwithstanding, the Developer shall have the right, without the vote or consent of the Association or Unit Owners, to (a) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or non-structural, interior or exterior, ordinary or

extraordinary; (b) change the layout or number of rooms in any Developer owned Units; (c) change the size of Developer owned Units by combining separate Developer owned Units into a single apartment (although being kept as two separate legal Units), or otherwise; and (d) reapportion among the Developer owned Units affected by such change in size pursuant to the preceding clause, their appurtenant interests in the Common Elements and share of the Common Surplus and Common Expenses; provided, however, that the percentage interest in the Common Elements and share of the Common Surplus and Common Expenses of any Units (other than the affected Developer-owned Units) shall not be changed by reason thereof unless the Owners of such Units shall consent thereto and, provided further, that Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and improvements, the Developer may relocate and alter Common Elements adjacent to or near such Units, incorporate portions of the Common Elements into adjacent Units and incorporate Units, or portions thereof, into adjacent Common Elements, provided that such relocation and alteration does not materially adversely affect the market value or ordinary use of Units owned by Unit Owners other than the Developer. Any amendments to this Declaration required by changes of the Developer made pursuant to this Section 10, shall be effected by the Developer alone pursuant to Subsection 6.5, without the vote or consent of the Association or Unit Owners (or their mortgagees) required, except to the extent that any of same constitutes a Material Amendment, in which event, the amendment must be approved as set forth in Subsection 6.2 above. Without limiting the generality of Subsection 6.5 hereof, the provisions of this Section may not be added to, amended or deleted without the prior written consent of the Developer.

11. Operation of the Condominium by the Association; Powers and Duties.

11.1 Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium and the Association Property. The powers and duties of the Association shall include those set forth in the By-Laws and Articles of Incorporation of the Association (respectively, Exhibits "4" and "5" annexed hereto), as amended from time to time. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than nine (9) directors. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

- (a) The irrevocable right to have access to each Unit and any Limited Common Element from time to time during reasonable hours as may be necessary for pest control, or other purposes and for the maintenance, repair or replacement of any Common Elements or any portion of a Unit, if any, to be maintained by the Association, or at any time and by force, if necessary, to prevent damage to the Common Elements, the Association Property or to a Unit or Units, including, without limitation, (but without obligation or duty) to install and/or close exterior storm shutters in the event of the issuance of a storm watch or storm warning and/or to maintain, repair, replace and/or operate Life Safety Systems.
- (b) The power to make and collect Assessments and other Charges against Unit Owners and to lease, maintain, repair and replace the Common Elements and Association Property.
- (c) The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times upon prior written request.
- (d) The Association shall assume all of Developer's and/or its affiliates': (i) rights and responsibilities under the Sharing Agreement and/or (ii) responsibilities to the County, and its governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Condominium Property (including, without limitation, any and all obligations imposed by any permits or approvals issued by the County, as same may be amended, modified or interpreted from time to time) and, in either such instance, the Association shall indemnify and hold Developer and its affiliates harmless with respect thereto in the event of the Association's failure to fulfill those responsibilities.
- (e) The power to contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer)

to assist the Association in carrying out its powers and duties by performing such functions as reviewing and evaluating the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted in the Condominium documents and the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

- (f) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, if any, provided that such actions are approved by a majority of the entire membership of the Board of Directors and a majority of the Units represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or Unit Owners as may be specified in the By-Laws with respect to certain borrowing. The foregoing restriction shall not apply if such indebtedness is entered into for the purpose of financing insurance premiums, which action may be undertaken solely by the Board of Directors, without requiring a vote of the Unit Owners.
- (g) The power to adopt and amend rules and regulations concerning the details of the operation and use of the Common Elements and Association Property.
- (h) The duties and obligations imposed upon the Association pursuant to the Master Covenants.
- (i) The duties and obligations imposed upon the Association pursuant to the Neighborhood Covenants.
- (j) The power to acquire, convey, lease and encumber real and personal property. Personal property shall be acquired, conveyed, leased or encumbered upon a majority vote of the Board of Directors, subject to Section 8 hereof. Real property (including, without limitation, any of the Units) shall be acquired, conveyed, leased or encumbered upon a majority vote of the Board of Directors alone; provided that the requirements of Section 8 pertaining to the Unit Owners' approval of costs in excess of the threshold amount stated therein (including the proviso regarding the debt incurred) shall also apply to the acquisition of real property; provided, further, however, that the acquisition of any Unit as a result of a foreclosure of the lien for Assessments (or by deed in lieu of foreclosure) shall be made upon the majority vote of the Board, regardless of the price for same and the Association, through its Board, has the power to hold, lease, mortgage or convey the acquired Unit(s) without requiring the consent of Unit Owners. The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, taxes, Assessments, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses.
- (k) The obligation to (i) operate and maintain the surface water management system in accordance with the permit issued by the District, (ii) carry out, maintain, and monitor any required wetland mitigation tasks and (iii) maintain copies of all permitting actions with regard to the District.
- (l) The power to execute all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit Owner by acceptance of a lien on said Unit, appoints and designates the President of the Association, as such Owner's agent and attorney-in-fact to execute any and all such documents or consents.
- (m) All of the powers which a corporation not for profit in the State of Florida may exercise pursuant to this Declaration, the Articles of Incorporation, the Bylaws, Chapters 607 and

617, Florida Statutes and the Act, in all cases except as expressly limited or restricted in the Act.

In the event of conflict among the powers and duties of the Association or the terms and provisions of this Declaration, exhibits attached hereto, the Master Covenants and the Neighborhood Covenants or otherwise, the Master Covenants and the Neighborhood Covenants shall take precedence over this Declaration; this Declaration shall take precedence over the Articles of Incorporation, By-Laws and applicable rules and regulations; the Articles of Incorporation shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations, all as amended from time to time. Notwithstanding anything in this Declaration, its exhibits, the Master Covenants or the Neighborhood Covenants to the contrary, the Association shall at all times be the entity having ultimate control over the Condominium, consistent with the Act and nothing contained in the Master Covenants or the Neighborhood Covenants shall conflict with the powers and duties of the Association or the rights of the Unit owners as provided in the Act.

- 11.2 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property. Further, the Association shall not be liable for any such injury or damage caused by defects in design or workmanship or any other reason connected with any additions, alterations or improvements or other activities done by or on behalf of any Unit Owners regardless of whether or not same shall have been approved by the Association pursuant to Section 9 hereof. The Association also shall not be liable to any Unit Owner or lessee or to any other person or entity for any property damage, personal injury, death or other liability on the grounds that the Association did not obtain or maintain insurance (or carried insurance with any particular deductible amount) for any particular matter where: (i) such insurance is not required hereby; or (ii) the Association could not obtain such insurance at reasonable costs or upon reasonable terms. Notwithstanding the foregoing, nothing contained herein shall relieve the Association of its duty of ordinary care, as established by the Act, in carrying out the powers and duties set forth herein, nor deprive Unit Owners of their right to sue the Association if it negligently or willfully causes damage to the Unit Owner's property during the performance of its duties hereunder. The limitations upon liability of the Association described in this Subsection 11.2 are subject to the provisions of Section 718.111(3) F.S.
- 11.3 Restraint Upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.
- 11.4 Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for that Unit if at an Association meeting, unless the joinder of all record Owners of the Unit is specifically required by this Declaration or by law.
- 11.5 Acts of the Association. Unless the approval or action of Unit Owners, and/or a certain specific percentage of the Board of Directors of the Association, is specifically required in this Declaration, the Articles of Incorporation or By-Laws of the Association, applicable rules and regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.
- 11.6 Effect on Developer. So long as Developer holds a Unit for sale in the ordinary course of business, none of the following actions may be taken by the Association (subsequent to control thereof being assumed by Unit Owners other than the Developer) without the prior written approval of the Developer:



- (a) Assessment of the Developer as a Unit Owner for capital improvements; or
- (b) Any action by the Association that would be detrimental to the sales of Units by the Developer or the assignment of Limited Common Elements by the Developer for consideration; provided, however, that an increase in Assessments for Common Expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of Units.

12. Determination of Common Expenses and Fixing of Assessments Therefor. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium and the Association, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the Assessments payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of the budget, on which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the expenses of and reserves for (if required by, and not waived in accordance with, applicable law) the operation, maintenance, repair and replacement of the Common Elements and Association Property, costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles or By-Laws of the Association, applicable rules and regulations or by the Association. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any Budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of this Declaration and the By-Laws.

13. Collection of Assessments.

- 13.1 Liability for Assessments. A Unit Owner, regardless of how title is acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure shall be liable for all Assessments coming due while he is the Unit Owner. Additionally, a Unit Owner shall be jointly and severally liable with the previous Owner for all unpaid Assessments that came due up to the time of the conveyance, without prejudice to any right the Owner may have to recover from the previous Owner the amounts paid by the grantee Owner. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.
- 13.2 Special and Capital Improvement Assessments. In addition to Assessments levied by the Association to meet the Common Expenses of the Condominium and the Association, the Board of Directors may levy "Special Assessments" and "Capital Improvement Assessments" upon the following terms and conditions:
- (a) "Special Assessments" shall mean and refer to an Assessment against each Owner and his or her Unit, representing a portion of the costs incurred by the Association for specific purposes of a nonrecurring nature which are not in the nature of capital improvements.
  - (b) "Capital Improvement Assessments" shall mean and refer to an Assessment against each Owner and his or her Unit, representing a portion of the costs incurred by the Association for the acquisition, installation, construction or replacement (as distinguished from repairs and maintenance) of any capital improvements located or to be located within the Common Elements or Association Property.
  - (c) Special Assessments and Capital Improvement Assessments may be levied by the Board and shall be payable in lump sums or installments, in the discretion of the Board; provided that, if such Special Assessments or Capital Improvement Assessments, in the aggregate in any year, exceed three percent (3%) of the then estimated operating budget of the Association, the Board must obtain approval of a majority of the voting interests represented at a meeting at which a quorum is attained.

- 13.3 Default in Payment of Assessments for Common Expenses. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at fifteen percent (15%) per annum from the date due until paid and shall be subject to an administrative late fee in an amount not to exceed the greater of \$25.00 or five percent (5%) of each delinquent installment. The Association has a lien on each Condominium Parcel to secure the payment of Assessments. Except as set forth below, the lien is effective from, and shall relate back to, the date of the recording of this Declaration. However, as to a first mortgage of record, the lien is effective from and after the date of the recording of a claim of lien in the Public Records of the County, stating the description of the Condominium Parcel, the name of the record Owner and the name and address of the Association. The lien shall be evidenced by the recording of a claim of lien in the Public Records of the County. To be valid, the claim of lien must state the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the amount due and the due dates, and the claim of lien must be executed and acknowledged by an officer or authorized officer of the Association. The claim of lien shall not be released until all sums secured by it (or such other amount as to which the Association shall agree by way of settlement) have been fully paid or until it is barred by law. No such lien shall be effective longer than one (1) year after the claim of lien has been recorded unless, within that one (1) year period, an action to enforce the lien is commenced. The one (1) year period shall automatically be extended for any length of time during which the Association is prevented from filing a foreclosure action by an automatic stay resulting from a bankruptcy petition filed by the Owner or any other person claiming an interest in the Unit. The claim of lien shall secure (whether or not stated therein) all unpaid Assessments, which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a certificate of title, as well as interest and all reasonable costs and attorneys' fees incurred by the Association incident to the collection process. Upon payment in full, the person making the payment is entitled to a satisfaction of the lien in recordable form. The Association may bring an action in its name to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorneys' fees incurred either in a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after thirty (30) days' prior written notice to the applicable Unit Owner and the recording of a claim of lien, the Association may accelerate and declare immediately due and payable all installments of Assessments for the remainder of the fiscal year. In the event that the amount of such installments changes during the remainder of the fiscal year, the Unit Owner or the Association, as appropriate, shall be obligated to pay or reimburse to the other the amount of increase or decrease within ten (10) days of same taking effect.

- 13.4 Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return receipt requested, addressed to the Unit Owner at the last known address, and upon such mailing, the notice shall be deemed to have been given. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this Subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.
- 13.5 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit after a foreclosure judgment has been entered, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of such receiver shall be paid by the party which does not prevail in the foreclosure action.



13.6 First Mortgagee. The liability of the holder of a first mortgage on a Unit (each, a "First Mortgagee"), or its successors or assigns, who acquires title to a Unit by foreclosure or by deed in lieu of foreclosure for the unpaid Assessments (or installments thereof) that became due prior to the First Mortgagee's acquisition of title is limited to the lesser of:

- (a) The Unit's unpaid Common Expenses and regular periodic Assessments which accrued or came due during the six (6) months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or
- (b) One percent (1%) of the original mortgage debt.

As to a Unit acquired by foreclosure, the limitations set forth in clauses (a) and (b) above shall not apply unless the First Mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association, however, is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location which was known to or reasonably discoverable by the mortgagee.

A First Mortgagee acquiring title to a Unit as a result of foreclosure or deed in lieu thereof may not, during the period of its ownership of such Unit, whether or not such Unit is unoccupied, be excused from the payment of any of the Common Expenses coming due during the period of such ownership.

13.7 Developer's Liability for Assessments. During the period from the date of the recording of this Declaration until the earlier of the following dates (the "Guarantee Expiration Date"): (a) the last day of the twelfth (12th) full calendar month following the recording of this Declaration, or (b) the date that control of the Association is transferred to Unit Owners other than the Developer as provided in the By-Laws and the Act, the Developer shall not be obligated to pay the share of Common Expenses and Assessments attributable to the Units owned by the Developer, provided: (i) that the regular Assessments for Common Expenses imposed on each Unit Owner other than the Developer prior to the Guarantee Expiration Date shall not increase during such period over the amounts set forth on Exhibit "6" attached hereto; and (ii) that the Developer shall be obligated to pay any amount of Common Expenses actually incurred during such period and not produced by the Assessments at the guaranteed levels receivable from other Unit Owners. After the Guarantee Expiration Date, the Developer shall have the option, in its sole discretion, of extending the guarantee for one (1) or more additional periods, or paying the share of Common Expenses and Assessments attributable to Units it then owns. Notwithstanding the above and as provided in Section 718.116(9)(a)(2) of the Act, in the event of an Extraordinary Financial Event (as hereinafter defined), the costs necessary to effect restoration shall be assessed against all Unit Owners owning units on the date of such Extraordinary Financial Event, and their successors and assigns, including the Developer (with respect to Units owned by the Developer). As used in this Subsection, an "Extraordinary Financial Event" shall mean Common Expenses incurred prior to the Guarantee Expiration Date (as same may be extended) resulting from a natural disaster or Act of God, which is not covered by insurance proceeds from the insurance maintained by the Association as required by Section 718.111(11)(a) of the Act.

13.8 Estoppel Statement. Within fifteen (15) days after receiving a written request therefor from a purchaser, Unit Owner or mortgagee of a Unit, the Association shall provide a certificate, signed by an officer or agent of the Association, stating all Assessments and other moneys owed to the Association by the Unit Owner with respect to his or her Unit. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby. The Association or its authorized agent may charge a reasonable fee for the preparation of such certificate.

13.9 Installments. Regular Assessments shall be collected monthly or quarterly, in advance, at the option of the Association. Initially, assessments will be collected monthly, and be due on the first day of each calendar month.

13.10 Application of Payments. Any payments received by the Association from a delinquent Unit Owner shall be applied first to any interest accrued on the delinquent installment(s) as aforesaid, then to any administrative late fees, then to any costs and reasonable attorneys' fees incurred in collection and then to the delinquent and any accelerated Assessments. The foregoing shall be applicable

notwithstanding any restrictive endorsement, designation or instruction placed on or accompanying a payment.

14. Insurance. Insurance covering the Condominium Property and the Association Property shall be governed by the following provisions:

14.1 Purchase, Custody and Payment.

- (a) Purchase. All insurance policies described herein covering portions of the Condominium and Association Property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida or by a surplus lines carrier offering policies for Florida properties reasonably acceptable to the Board.
- (b) Approval. Each insurance policy, the agency and company issuing the policy and the Insurance Trustee (if appointed) hereinafter described shall be subject to the approval of the Primary Institutional First Mortgagee in the first instance, if requested thereby.
- (c) Named Insured. The named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be deemed additional named insureds.
- (d) Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the Association or to the Insurance Trustee (if appointed), and all policies and endorsements thereto shall be deposited with the Association or to the Insurance Trustee (if appointed).
- (e) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy, or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.
- (f) Personal Property and Liability. Except as specifically provided herein or by the Act, the Association shall not be responsible to Unit Owners to obtain insurance coverage upon the property lying within the boundaries of their Unit, including, but not limited to, their personal property, and for their personal liability, moving and relocation expenses, lost rent expenses and living expenses and for any other risks not otherwise insured in accordance herewith. To the extent that a Unit Owner or other occupant of a Unit desires coverage for such excluded items, it shall be the sole responsibility of the Unit Owner and/or occupant to obtain.

14.2 Coverage. The Association shall maintain insurance covering the following:

- (a) Casualty. The Insured Property (as hereinafter defined) shall be insured in an amount not less than 100% of the full insurable replacement value thereof, excluding foundation and excavation costs (and subject to such reasonable deductibles as discussed below). The policy shall provide primary coverage for the following (the "Insured Property"): (i) all portions of the Condominium Property located outside the Units, (ii) the Condominium Property located inside the Units as such property was initially installed, or replacements thereof of like kind and quality and in accordance with the original plans and specifications or, if the original plans and specifications are not available, as they existed at the time that the Unit was initially conveyed, and (iii) the Building (including all fixtures, installations or additions comprising that part of the Building within the boundaries of the Units and required by the Act to be insured under the Association's policies) and all Improvements located on the Common Elements and the Association Property from time to time, together with all fixtures, building service equipment, personal property and supplies constituting the Common Elements or Association Property. Notwithstanding the

foregoing, the Insured Property shall not include, and shall specifically exclude, all furniture, furnishings, Unit floor coverings, wall and ceiling coverings, other personal property owned, supplied or installed by Unit Owners or tenants of Unit Owners, and all electrical fixtures, appliances, air conditioner and/or heating equipment, water heaters, water filters, built-in cabinets and countertops, and window treatments, including curtains, drapes, blinds, hardware and similar window treatment components, or replacements of any of the foregoing which are located within the boundaries of a Unit and serve only one Unit and all air conditioning compressors that service only an individual Unit, if any, whether or not located within the Unit boundaries. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and such other risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.

- (b) Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, subject to this Declaration, or any work, matters or things related to the Insured Property, with such coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than \$1,000,000 for each accident or occurrence, \$100,000 per person and \$50,000 property damage, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa. The Association may also obtain and maintain liability insurance for its directors and officers and for the benefit of the Association's employees, in such amounts and under such terms and conditions as the Association deems appropriate in its sole and absolute discretion.
- (c) Worker's Compensation and other mandatory insurance, when applicable.
- (d) Flood Insurance covering the Common Elements, Association Property and Units if required by the Primary Institutional First Mortgagee or FNMA/FHLMC, or if the Association so elects.
- (e) Errors and Omissions. The Association shall obtain and maintain adequate liability, errors and omission coverage on behalf of each of the officers and directors of the Association.
- (f) Fidelity Insurance or Fidelity Bonds. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse Association funds which shall include, without limitation, those individuals authorized to sign Association checks and the president, secretary and treasurer of the Association. The insurance policy or fidelity bond shall be in such amount as shall be determined by a majority of the Board, but must be sufficient to cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The premiums on such bonds and/or insurance shall be paid by the Association as a Common Expense.
- (g) Association Property. Appropriate additional policy provisions, policies or endorsements extending the applicable portions of the coverage described above to all Association Property, where such coverage is available.
- (h) Such Other Insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to: (i) subrogation against the Association and against the Unit Owners individually and as a group, (ii) pay only a fraction of any loss in the event of coinsurance or if other insurance carriers have issued coverage upon the same risk, and (iii) avoid liability for a loss that is caused by an act of the Board of Directors of the Association, a member of the Board of Directors of the Association, one or more Unit Owners or as a result of contractual undertakings. Additionally, each policy shall provide that

any insurance trust agreement will be recognized, that the insurance provided shall not be prejudiced by any act or omissions of individual Unit Owners that are not under the control of the Association, and that the policy shall be primary, even if a Unit Owner has other insurance that covers the same loss.

Every casualty insurance policy obtained by the Association, if required by FNMA/FHLMC, and if generally available, shall have the following endorsements: (i) agreed amount and inflation guard and (ii) steam boiler coverage (providing at least \$50,000 coverage for each accident at each location), if applicable.

- 14.3 Additional Provisions. All policies of insurance shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to all of the named insureds, including all mortgagees of Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors may (or if required by FNMA/FHLMC, shall) obtain an appraisal from a fire insurance company, or other competent insurance appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Section 14.
- 14.4 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the costs of fidelity bonding for any management company employee may be paid by such company pursuant to its contract with the Association. Premiums may be financed in such manner as the Board of Directors deems appropriate. The Board shall determine the appropriate deductible for each policy of insurance. Each Owner, by acceptance of a deed or other conveyance of a Unit, hereby ratifies and confirms any decisions made by the Association in this regard and recognizes and agrees that funds to cover the deductible must be provided from the general operating funds of the Association before the Association will be entitled to insurance proceeds. The Association may, but shall not be obligated to, establish a reserve to cover any applicable deductible.
- 14.5 Insurance Trustee or Association; Share of Proceeds. If an Insurance Trustee has not been appointed by the Association, then the Association is hereby irrevocably appointed as an agent and attorney-in-fact for each and every Unit Owner, for each Institutional First Mortgagee and/or each owner of any other interest in the Condominium Property to adjust and settle any and all claims arising under any insurance policy purchased by the Association and to execute and deliver releases upon the payment of claims, if any. The decision to engage or appoint an Insurance Trustee, or not to do so, lies solely with the Association. All insurance policies obtained by or on behalf of the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association or to the Insurance Trustee, if one is appointed by the Association, which may be designated by the Board of Directors as provided in Subsection 14.10 below and in this Subsection 14.5, and which, if so appointed, shall be a bank or trust company in Florida with trust powers, with its principal place of business in the State of Florida. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee or the Association, as applicable, shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but shares need not be set forth on the records of the Insurance Trustee:
- (a) Insured Property. Proceeds on account of damage to the Insured Property shall be held in undivided shares for each Unit Owner, such shares being the same as the undivided shares in the Common Elements appurtenant to each Unit, provided that if the Insured Property so damaged includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if that portion of the Insured Property were Optional Property as described in paragraph (b) below.
- (b) Optional Property. Proceeds on account of damage solely to Units and/or certain portions or all of the contents thereof not included in the Insured Property (all as determined by the

Association in its sole discretion) (collectively the "Optional Property"), if any is collected by reason of optional insurance which the Association elects to carry thereon (as contemplated herein), shall be held for the benefit of Owners of Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

- (c) Mortgagees. No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.
- 14.6 Distribution of Proceeds. Proceeds of insurance policies received by the Association and/or Insurance Trustee, as applicable, shall be distributed to or for the benefit of the beneficial owners thereof in the following manner:
- (a) Expenses of the Trustee. All expenses of the Insurance Trustee (if any) shall be first paid or provision shall be made therefor.
- (b) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, remittances to Unit Owners and their mortgagees being payable jointly to them.
- (c) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Subsection 14.5 above, and distributed first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages, and the balance, if any, to the beneficial owners.
- (d) Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.
- 14.7 Association as Agent. The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.
- 14.8 Unit Owners' Personal Coverage. Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within his Unit, nor casualty or theft loss to the contents of an Owner's Unit. It shall be the obligation of the individual Unit Owner, if such Owner so desires, to purchase and pay for insurance as to all such and other risks not covered by insurance carried by the Association.
- 14.9 Benefit of Mortgagees. Certain provisions in this Section 14 are for the benefit of mortgagees of Units and may be enforced by such mortgagees.
- 14.10 Appointment of Insurance Trustee. The Board of Directors of the Association shall have the option in its discretion of appointing an Insurance Trustee hereunder. If the Association fails or elects not to appoint such Trustee, the Association, pursuant to Subsection 14.5 above, will perform directly all obligations imposed upon such Trustee by this Declaration. Fees and expenses of any Insurance Trustee are Common Expenses.

- 14.11 Presumption as to Damaged Property. In the event of a dispute or lack of certainty as to whether damaged property constitutes a Unit(s) or Common Elements, such property shall be presumed to be Common Elements.
15. Reconstruction or Repair After Fire or Other Casualty.
- 15.1 Determination to Reconstruct or Repair. Subject to the provisions of the Master Covenants, the Neighborhood Covenants and the immediately following paragraphs, in the event of damage to or destruction of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) as a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) and the Association and/or Insurance Trustee (if appointed), as applicable, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.
- If 75% or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is substantially damaged or destroyed and if Unit Owners owning 80% of the applicable interests in the Common Elements duly and promptly resolve not to proceed with the repair or restoration thereof and a Majority of Institutional First Mortgagees approve such resolution, the Condominium Property will not be repaired and shall be subject to an action for partition instituted by the Association, any Unit Owner, mortgagee or lienor, as if the Condominium Property were owned in common, in which event the net proceeds of insurance resulting from such damage or destruction shall be divided among all the Unit Owners in proportion to their respective interests in the Common Elements (with respect to proceeds held for damage to the Insured Property other than that portion of the Insured Property lying within the boundaries of the Unit), and among affected Unit Owners in proportion to the damage suffered by each such affected Unit Owner, as determined in the sole discretion of the Association (with respect to proceeds held for damage to the Optional Property, if any, and/or that portion of the Insured Property lying within the boundaries of the Unit); provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such fund all mortgages and liens on his Unit in the order of priority of such mortgages and liens.
- Whenever in this Section the words "promptly repair" are used, it shall mean that repairs are to begin not more than sixty (60) days from the date the Association holds, or the Insurance Trustee (if appointed) notifies the Board of Directors and Unit Owners that it holds, proceeds of insurance on account of such damage or destruction sufficient to pay the estimated cost of such work, or not more than ninety (90) days after the Association determines that, or the Insurance Trustee (if appointed) notifies the Board of Directors and the Unit Owners that, such proceeds of insurance are insufficient to pay the estimated costs of such work. The Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.
- 15.2 Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the original Improvements and then applicable building and other codes; or if not, then in accordance with the plans and specifications approved by the Board of Directors of the Association and then applicable building and other codes, and, if the damaged property which is to be altered is the Building or the Optional Property, by the Owners of not less than 80% of the applicable interests in the Common Elements, as well as the Owners of all Units and other portions of the Optional Property (and their respective mortgagees) the plans for which are to be altered.
- 15.3 Special Responsibility. If the damage is only to those parts of the Optional Property for which the responsibility of maintenance and repair is that of the respective Unit Owners, then the Unit Owners shall be responsible for all necessary reconstruction and repair, which shall be effected promptly and in accordance with guidelines established by the Board of Directors (unless insurance proceeds are held by the Association with respect thereto by reason of the purchase of optional insurance thereon, in which case the Association shall have the responsibility to

reconstruct and repair the damaged Optional Property, provided the respective Unit Owners shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds the insurance proceeds held for such repair or reconstruction on a Unit by Unit basis, as determined in the sole discretion of the Association). In all other instances, the responsibility for all necessary reconstruction and repair shall be that of the Association.

- (a) Disbursement. The proceeds of insurance collected on account of a casualty, and the sums collected from Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:
- (i) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than \$100,000, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors of the Association; provided, however, that upon request to the Insurance Trustee (if appointed) by an Institutional First Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided below for the reconstruction and repair of major damage.
  - (ii) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than \$100,000, then the construction fund shall be disbursed in payment of such costs in the manner contemplated by Subsection 15.3(a)(i) above, but then only upon the further approval of an architect or engineer qualified to practice in Florida and employed by the Association to supervise the work.
  - (iii) Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are the responsibility of the Association, this balance may be used by the Association to effect repairs to the Optional Property (if not insured or if under-insured), or may be distributed to Owners of the Optional Property who have the responsibility for reconstruction and repair thereof. The distribution shall be in the proportion that the estimated cost of reconstruction and repair of such damage to each affected Unit Owner bears to the total of such estimated costs to all affected Unit Owners, as determined by the Board; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs of repair for his portion of the Optional Property. Any and all proceeds shall only be used to effect repairs to the Optional Property, and if insufficient to complete such repairs, the Owners shall pay the deficit with respect to their portion of the Optional Property and promptly effect the repairs. Any balance remaining after such repairs have been effected shall be distributed to the affected Unit Owners and their mortgagees jointly as elsewhere herein contemplated.
  - (iv) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs relating to the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that part of a distribution to an Owner which is not in excess of Assessments paid by such Owner into the construction fund shall not be made payable jointly to any mortgagee.
  - (v) Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of



an architect, engineer or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Assessments paid by Owners, nor to determine the payees nor the amounts to be paid. The Insurance Trustee may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

15.4 Assessments. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction and repair to be effected by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, Assessments shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such Assessments on account of damage to the Insured Property shall be in proportion to all of the Owners' respective shares in the Common Elements, and on account of damage to the Optional Property, the Association shall charge the Owner (but shall not levy an Assessment) in proportion to the cost of repairing the damage suffered by each Owner thereof, as determined by the Association.

15.5 Benefit of Mortgagees. Certain provisions in this Section 15 are for the benefit of mortgagees of Units and may be enforced by any of them.

16. Condemnation.

16.1 Deposit of Awards with Insurance Trustee. The taking of portions of the Condominium Property or Association Property by the exercise of the power of eminent domain shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee; and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a charge shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against the sums hereafter made payable to that Owner.

16.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain also shall be deemed to be a casualty.

16.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee (if appointed) after a casualty, or as elsewhere in this Section 16 specifically provided.

16.4 Unit Reduced but Habitable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion of the Association), the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

- (a) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be charged to and paid by the Owner of the Unit.



- (b) Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.
- (c) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, the percentage representing the share in the Common Elements and of the Common Expenses and Common Surplus appurtenant to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to reduction by a fraction, the numerator of which shall be the area in square feet of the Unit after the taking and the denominator of which shall be the area in square feet of the Unit before the taking. The shares of all Unit Owners in the Common Elements, Common Expenses and Common Surplus shall then be restated as follows:
  - (i) add the total of all percentages of all Units after reduction as aforesaid (the "Remaining Percentage Balance"); and
  - (ii) divide each percentage for each Unit after reduction as aforesaid by the Remaining Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

16.5 Unit Made Uninhabitable. If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion of the Association), the award for the taking of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

- (a) Payment of Award. The awards shall be paid first to the applicable Institutional First Mortgagees in amounts sufficient to pay off their mortgages in connection with each Unit which is not so habitable; second, to the Association for any due and unpaid Assessments; third, jointly to the affected Unit Owners and other mortgagees of their Units. In no event shall the total of such distributions in respect of a specific Unit exceed the market value of such Unit immediately prior to the taking. The balance, if any, shall be applied to repairing and replacing the Common Elements.
- (b) Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors of the Association; provided that if the cost of the work therefor shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.
- (c) Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Unit Owners (and among reduced Units). This shall be effected by restating the shares of continuing Unit Owners as follows:
  - (i) add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by Subsection 16.4(c) hereof (the "Percentage Balance"); and
  - (ii) divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by Subsection 16.4(c) hereof, by the Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

- (d) Assessments. If the balance of the award (after payments to the Unit Owner and such Owner's mortgagees as above provided) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional

funds required for such purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected pursuant hereto by reason of the taking.

- (e) Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within 30 days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Unit Owners, including Owners who will not continue after the taking, in proportion to the applicable percentage shares of such Owners as they exist prior to the adjustments to such shares effected pursuant hereto by reason of the taking. Notwithstanding the foregoing, nothing contained herein shall limit or abridge the remedies of Unit Owners provided in Sections 718.303 and 718.506, F.S.

16.6 Taking of Common Elements. Awards for the taking of Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board of Directors of the Association; provided, that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the taking of Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustments to these shares effected pursuant hereto by reason of the taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

16.7 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements and share in the Common Expenses and Common Surplus that are effected by the taking shall be evidenced by an amendment to this Declaration of Condominium that is only required to be approved by, and executed upon the direction of, a majority of all Directors of the Association.

17. Occupancy and Use Restrictions. In order to provide for congenial occupancy of the Condominium and Association Property and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

17.1 Occupancy. Each Unit shall be used as a residence and/or home office only, except as otherwise herein expressly provided, all in accordance with, and only to the extent permitted by, applicable local, County, state and federal codes, ordinances and regulations. Home office use of a Unit shall only be permitted to the extent permitted by law and to the extent that the office is not staffed by employees, is not used to receive clients and/or customers and does not generate additional visitors or traffic into the Unit or on any part of the Condominium Property. The provisions of this Subsection 17.1 shall not be applicable to Units used by the Developer, which it has the authority to do without Unit Owner consent or approval, and without payment of consideration, for model apartments, guest suites, sales, re-sales and/or leasing offices and/or for the provision of management, construction, development, maintenance, repair and/or financial services.

17.2 Children. Children shall be permitted to be occupants of Units.

17.3 Pet Restrictions. One domesticated dog or cat may be maintained in a Unit provided such pet is: (a) permitted to be so kept by applicable laws and regulations, (b) not left unattended on balconies, terraces, patios or in lanai areas, (c) carried or leashed at all times when on the Common Elements and/or Association Property, (d) generally, not a nuisance to residents of other Units or of neighboring buildings and (e) not a pit bull or other breed considered to be dangerous by the Board

of Directors; provided that neither the Board nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing and any occupant of a Unit committing such a violation shall fully indemnify and hold harmless the Board of Directors, the Developer, each Unit Owner and the Association in such regard. Unit Owners must pick up all solid wastes of their pets and dispose of such wastes appropriately. All pets (including cats) must be kept on a leash of a length that affords reasonable control over the pet at all times when outside the Unit or enclosed patio. Any landscaping damage or other damage to the Common Elements caused by a Unit Owner's pet must be promptly repaired by the Unit Owner. The Association retains the right to effect said repairs and charge the Unit Owner therefor. Pets shall only be walked or taken upon those portions of the Common Elements designated by the Association, if any, from time to time for such purposes. Pets shall only be in the hallways of the Building as a means of direct ingress or egress to and from its Owner's Unit and the exterior of the Building. Without limiting the generality of Section 18 hereof, a violation of the provisions of this paragraph shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit Owners (as provided in the By-Laws and any applicable rules and regulations) and/or to require any pet to be permanently removed from the Condominium Property.

- 17.4 Alterations. Without limiting the generality of Subsection 9.1 hereof, but subject to Section 11 hereof, no Unit Owner shall cause or allow improvements or physical or structural changes to any Unit, Limited Common Elements appurtenant thereto, Common Elements or Association Property, including, but not limited to, painting or other decorating of any nature, installing or altering any electrical wiring or plumbing systems, installing, television antennae, satellite dishes, electronic devices, transmitting and/or receiving equipment, machinery, or air-conditioning units, which in any manner change the appearance of any portion of the Buildings or the exterior of said Unit, without obtaining the prior written consent of the Association (in the manner specified in Subsection 9.1 hereof). Curtains, blinds, shutters, levelors, or draperies (or linings thereof) which face the exterior windows or glass doors of Units shall be white or off-white in color and shall be subject to disapproval by the Association, in which case they shall be removed and replaced by the Unit Owner with items acceptable to the Association.
- 17.5 Use of Common Elements and Association Property. The Common Elements and Association Property shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. In that regard, each Unit Owner, by acceptance of a deed for a Unit, thereby covenants and agrees that it is the intention of the Developer that the stairwells of the Building are intended for ingress and egress in the event of emergency only, and as such are constructed and left unfinished solely as to be functional for said purpose, without regard to the aesthetic appearance of said stairwells. Similarly, the garage and utility pipes serving the Condominium are intended solely for functional purposes, and as such will be left unfinished without regard to the aesthetic appearance of same. The foregoing is not intended to prohibit the use of the stairwells, garage, and utility pipes for any other proper purpose.
- 17.6 Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium or Association Property, nor shall any use or practice be allowed which is a source of annoyance to occupants of Units or which interferes with the peaceful possession or proper use of the Condominium and/or Association Property by its residents, occupants or members. No activity specifically permitted by this Declaration, the Master Covenants or the Neighborhood Covenants shall be deemed a nuisance.
- 17.7 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium or Association Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium and/or Association Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth. Notwithstanding the foregoing and any provisions of this Declaration, the Articles of Incorporation or By-Laws, the Association shall not be liable to any person(s) for its failure to enforce the provisions of this Subsection 17.7. No activity specifically permitted by this Declaration, the Master Covenants or the Neighborhood

Covenants, including, without limitation, activities or businesses conducted from the Commercial Lots, shall be deemed a violation of this Subsection 17.7.

- 17.8 Leases. No portion of a Unit (other than an entire Unit) may be rented. Leasing of Units shall be subject to the prior written approval of the Association, and each lease shall be in writing and shall specifically provide that the Association shall have the right (a) to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Articles of Incorporation or By-Laws of the Association, the Master Covenants, the Neighborhood Covenants, or other applicable provisions of any agreement, document or instrument governing the Condominium or administered by the Association, the Master Association or the Neighborhood Association and (b) to collect all rental payments due to the Owner and apply same against unpaid Assessments if, and to the extent that, the Unit Owner is in default in the payment of Assessments. The Association may deny permission to lease any Unit on any reasonable grounds the Association may find, including, without limitation, because the lessor is delinquent in the payment of Assessments to the Association (or becomes delinquent during the lease term) or has any outstanding fine (or incurs a fine which is not paid within five days following the adoption of same). No lease of a Unit shall be for a period of less than six (6) months and there shall be no more than two (2) leases of a Unit in any calendar year (i.e., not more than two (2) leases shall commence during any calendar year).

The lease of a Unit for a term of six (6) months or less is subject to a tourist development tax assessed pursuant to Section 125.0104, Florida Statutes. A Unit Owner leasing his or her Unit for a term of six (6) months or less agrees, and shall be deemed to have agreed, for such Owner, and his or her heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Developer and all other Unit Owners harmless from and to indemnify them for any and all costs, claims, damages, expenses or liabilities whatsoever, arising out of the failure of such Unit Owner to pay the tourist development tax and/or any other tax or surcharge imposed by the State of Florida with respect to rental payments or other charges under the lease, and such Unit Owner shall be solely responsible for and shall pay to the applicable taxing authority, prior to delinquency, the tourist development tax and/or any other tax or surcharge due with respect to rental payments or other charges under the lease.

Every lease of a Unit shall specifically provide (or, if it does not, shall be automatically deemed to provide) that a material condition of the lease shall be the tenant's full compliance with the covenants, terms, conditions and restrictions of this Declaration (and all Exhibits hereto), the Master Covenants, the Neighborhood Covenants and with any and all rules and regulations adopted by the Association, the Master Association and/or the Neighborhood Association from time to time (before or after the execution of the lease). The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association) and to pay any claim for injury or damage to property caused by the negligence of the tenant and special Assessments may be levied against the Unit therefor. All leases are hereby made subordinate to any lien filed by the Condominium Association, whether prior or subsequent to such lease. The Association may charge a fee in connection with the approval of any lease, sublease, or other transfer of a Unit requiring approval, provided, however that such fee may not exceed \$100 per applicant other than husband/wife or parent/dependent child, which are considered one applicant, and provided further, that if the lease or sublease is a renewal of a lease or sublease with the same lessee or sublessee, no charge shall be made. If so required by the Association, any tenant leasing a Unit may be required to place in escrow with the Association a reasonable sum, not to exceed the equivalent of one month's rental, which may be used by the Association to repair any damage to the Common Elements and/or Association Property resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). Payment of interest, claims against the deposit, refunds and disputes regarding the disposition of the deposit shall be handled in the same fashion as provided in Part II of Chapter 83, Florida Statutes.

When a Unit is leased, a tenant shall have all use rights in Association Property and those Common Elements otherwise readily available for use generally by Unit Owners, and the Owner of the leased Unit shall not have such rights, except as a guest, unless such rights are waived in

writing by the tenant. Nothing herein shall interfere with the access rights of the Unit Owner as a landlord pursuant to Chapter 83, Florida Statutes. The Association shall have the right to adopt rules to prohibit dual usage by a Unit Owner and a tenant of Association Property and Common Elements otherwise readily available for use generally by Owners.

- 17.9 **Weight, Sound and other Restrictions.** Unless installed by the Developer or meeting the sound insulation specifications established from time to time by the Board, hard and/or heavy surface floor coverings, such as tile, marble, wood, and the like will be permitted only in foyers, kitchens and bathrooms. Even once approved by the Board, the installation of insulation materials shall be performed in a manner that provides proper mechanical isolation of the flooring materials from any rigid part of the building structure, whether of the concrete subfloor (vertical transmission) or adjacent walls and fittings (horizontal transmission) and must be installed prior to the Unit being occupied. Additionally, the floor coverings (and insulation and adhesive material therefor) installed on any balcony, terrace, patio and/or lanai shall not exceed a thickness that will result in the finish level of the balconies, terraces, patios and/or lanais being above the bottom of the scuppers or diminish the required height of the rails (as established by the applicable building code). Also, the installation of any improvement or heavy object must be submitted to and approved by the Board, and be compatible with the overall structural design of the Building. All areas within a Unit other than foyers, kitchens and bathrooms, unless to receive floor covering approved by the Board, are to receive sound absorbent, less dense floor coverings, such as carpeting or hard surface floor coverings meeting the specifications described above. The Board will have the right to specify the exact material to be used on balconies, terraces, patios and/or lanais. Any use guidelines set forth by the Association shall be consistent with good design practices for the waterproofing and overall structural design of the Building. Owners will be held strictly liable for violations of these restrictions and for all damages resulting therefrom and the Association has the right to require immediate removal of violations. **Applicable warranties of the Developer, if any, shall be voided by violations of these restrictions and requirements. Each Unit Owner agrees that sound transmission in a multi-story building such as the Condominium is very difficult to control, and that noises from adjoining or nearby Units and or mechanical equipment can often be heard in another Unit. The Developer does not make any representation or warranty as to the level of sound transmission between and among Units and the other portions of the Condominium Property, and each Owner shall be deemed to waive and expressly release any such warranty and claim for loss or damages resulting from sound transmission.**

Notwithstanding anything herein contained to the contrary, the installation of insulation under hard surface floor coverings shall not be required for any Unit that is not located above another Unit or above Common Elements that may reasonably be considered by the Board to be areas of general circulation (e.g. lobbies, hallways, mailrooms, if any etc.), and/or recreational areas. Accordingly, if a Unit has no Improvements below it, or only the parking garage or a mechanical room below it, it shall not be required to install insulation under hard surface floor coverings.

- 17.10 **Mitigation of Dampness and Humidity.** No Unit Owner shall install, within his or her Unit, or upon the Common Elements or Association Property, non-breathable wall-coverings or low-permeance paints. Additionally, any and all built-in casework, furniture, and or shelving in a Unit must be installed over floor coverings to allow air space and air movement and shall not be installed with backboards flush against any gypsum board, masonry block or concrete wall. Additionally, all Unit Owners, whether or not occupying the Unit, shall periodically run the air conditioning system to maintain the Unit temperature, whether or not occupied, at 78°F, to minimize humidity in the Unit. Leaks, leaving exterior doors or windows open, wet flooring and moisture will contribute to the growth of mold, mildew, fungus or spores. Each Unit Owner, by acceptance of a deed, or otherwise acquiring title to a Unit, shall be deemed to have agreed that Developer is not responsible, and hereby disclaims any responsibility for any illness, personal injury, death or allergic reactions which may be experienced by the Unit Owner, its family members and/or its or their guests, tenants and invitees and/or the pets of all of the aforementioned persons as a result of mold, mildew, fungus or spores. It is the Unit Owner's responsibility to keep the Unit clean, dry, well-ventilated and free of contamination. While the foregoing are intended to minimize the potential development of molds, fungi, mildew and other mycotoxins, each Owner understands and agrees that there is no method for completely eliminating the development of molds or mycotoxins.

The Developer does not make any representations or warranties regarding the existence or development of molds or mycotoxins and each Owner shall be deemed to waive and expressly release any such warranty and claim for loss or damages resulting from the existence and/or development of same. In furtherance of the rights of the Association as set forth in Section 11.1(a) above, in the event that the Association reasonably believes that the provisions of this Section 17.10 are not being complied with, then, the Association shall have the right (but not the obligation) to enter the Unit (without requiring the consent of the Unit Owner or any other party) to turn on the air conditioning in an effort to cause the temperature of the Unit to be maintained as required hereby (with all utility consumption costs to be paid and assumed by the Unit Owner). To the extent that electric service is not then available to the Unit, the Association shall have the further right, but not the obligation (without requiring the consent of the Unit Owner or any other party) to connect electric service to the Unit (with the costs thereof to be borne by the Unit Owner, or if advanced by the Association, to be promptly reimbursed by the Unit Owner to the Association, with all such costs to be deemed Charges hereunder). Each Unit Owner, by acceptance of a deed or other conveyance of a Unit, holds the Developer harmless and agrees to indemnify the Developer from and against any and all claims made by the Unit Owner and the Unit Owner's guests, tenants and invitees on account of any illness, allergic reactions, personal injury and death to such persons and to any pets of such persons, including all expenses and costs associated with such claims including, without limitation, inconvenience, relocation and moving expenses, lost time, lost earning power, hotel and other accommodation expenses for room and board, all attorneys fees and other legal and associated expenses through and including all appellate proceedings with respect to all matters mentioned in this Section 17.10.

- 17.11 Exterior Improvements. Without limiting the generality of Subsections 9.1 or 17.4 hereof, but subject to any provision of this Declaration specifically permitting same, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, lanais or windows of the Building (including, but not limited to, awnings, signs, storm shutters, satellite dishes, screens, window tinting, furniture, fixtures and equipment), without the prior written consent of the Association. Notwithstanding the foregoing, any Unit Owner may display one portable removable United States flag in a respectful way, and, on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, may display in a respectful way portable, removable official flags, not larger than 4½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard.
- 17.12 Association Access to Units. In order to facilitate access to Units by the Association for the purposes enumerated in Subsection 11.1(a) hereof, it shall be the responsibility of all Unit Owners to deliver a set of keys to their respective Units (or to otherwise make access available) to the Association for use in the performance of its functions. No Unit Owner shall change the locks to his or her Unit (or otherwise preclude access to the Association) without so notifying the Association and delivering to the Association a new set of keys (or otherwise affording access) to such Unit.
- 17.13 Exterior Storm Shutters. The Board of Directors shall, from time to time, establish exterior storm shutter specifications which comply with the applicable building code, and establish permitted colors, styles and materials for exterior storm shutters. Subject to the provisions of Subsection 9.1 above, the Association shall approve the installation or replacement of exterior storm shutters conforming to the Board's specifications. The Board may, with the approval of a majority of the voting interests in the Condominium, install exterior storm shutters, and may (without requiring approval of the membership) maintain, repair or replace such approved shutters, whether on or within Common Elements, Limited Common Elements, Units or Association Property; provided, however, that if laminated glass or window film, in accordance with all applicable building codes and standards, architecturally designed to serve as hurricane protection, is installed, the Board may not install exterior storm shutters in accordance with this provision. All shutters shall remain open unless and until a storm watch or storm warning is announced by the National Weather Center or other recognized weather forecaster. A Unit Owner or occupant who plans to be absent during all or any portion of the hurricane season must prepare his or her Unit prior to his or her departure by designating a responsible firm or individual to care for his or her Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual.



To the extent that Developer provides exterior storm shutters for any portions of the Building (which it is not obligated to do) or if the Association obtains exterior storm shutters for any portion of the Condominium Property, the Association (as to shutters for the Common Elements) and the Unit Owners (as to shutters for a particular Unit) shall be solely responsible for the installation of such exterior storm shutters from time to time and the costs incurred by the Association (as to installation of shutters for the Common Elements) shall be deemed a part of the Common Expenses of the Condominium that are included in the Assessments payable by Unit Owners. The obligations of the Association assumed hereby shall include, without limitation, development of appropriate plans to allow for the timely installation of the shutters for the Common Elements, and all obligations with respect to the repair, replacement and/or upgrade of the shutters for the Common Elements. Developer shall have no obligations with respect to the installation of the shutters, and/or for the repair, replacement and/or upgrade of the shutters. Nothing herein shall obligate the Association to install shutters protecting individual units, nor to open or close same as a storm is approaching, or after it passes.

- 17.14 Relief by Association. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from the provisions of specific restrictions contained in this Section 17 for good cause shown, as determined by the Association in its sole discretion.
- 17.15 Effect on Developer. Subject to the following exceptions, the restrictions and limitations set forth in this Section 17 shall not apply to the Developer nor to Units owned by the Developer. The Developer shall not be exempt from the restrictions, if any, relating to requirements that leases or lessees be approved by the Association, pet restrictions, occupancy of Units based on age and vehicular restrictions, except as such vehicular restrictions relate to the Developer's construction, maintenance, sales, re-sales, leasing and other marketing and financing activities, which activities the Developer can perform without the prior consent of the Unit Owners.
- 17.16 Cumulative with Restrictions of Master Covenants and Neighborhood Covenants. The foregoing restrictions shall be in addition to, cumulative with, and not in derogation of those set forth in the Master Covenants and the Neighborhood Covenants.

18. Compliance and Default. The Association, each Unit Owner, occupant of a Unit, tenant and other invitee of a Unit Owner shall be governed by and shall comply with the terms of this Declaration and all exhibits annexed hereto, the Master Covenants, the Neighborhood Covenants and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time and the provisions of all of such documents shall be deemed incorporated into any lease of a Unit whether or not expressly stated in such lease. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:

- 18.1 Mandatory Nonbinding Arbitration of Disputes. Prior to the institution of court litigation, the parties to a Dispute shall petition the Division for nonbinding arbitration. The arbitration shall be conducted according to rules promulgated by the Division and before arbitrators employed by the Division. The filing of a petition for arbitration shall toll the applicable statute of limitation for the applicable Dispute, until the arbitration proceedings are completed. Any arbitration decision shall be presented to the parties in writing, and shall be deemed final if a complaint for trial de novo is not filed in a court of competent jurisdiction in which the Condominium is located within thirty (30) days following the issuance of the arbitration decision. The prevailing party in the arbitration proceeding shall be awarded the costs of the arbitration, and attorneys' fees and costs incurred in connection with the proceedings. The party who files a complaint for a trial de novo shall be charged the other party's arbitration costs, courts costs and other reasonable costs, including, without limitation, attorneys' fees, investigation expenses and expenses for expert or other testimony or evidence incurred after the arbitration decision, if the judgment upon the trial de novo is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorneys' fees. Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the Condominium is located. A petition may not be granted unless the time for appeal by the filing of a complaint for a trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been

stayed. If the petition is granted, the petitioner may recover reasonable attorneys' fees and costs incurred in enforcing the arbitration award.

- 18.2 Negligence and Compliance. A Unit Owner and/or tenant of a Unit shall be liable for the expense of any maintenance, repair or replacement made necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent such expense is not met by the proceeds of insurance actually collected in respect of such negligence by the Association. In the event a Unit Owner, tenant or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in equity to require performance and/or compliance, to impose any applicable fines (in accordance with the provisions of Section 18.3 below), to sue at law for damages, and to charge the Unit Owner for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance, provided, however, that nothing contained in this Subsection 18.2 shall authorize the Association to enter a Unit to enforce compliance. In any proceeding arising because of an alleged failure of a Unit Owner, a tenant or the Association to comply with the requirements of the Act, this Declaration, the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate attorneys' fees). A Unit Owner prevailing in an action with the Association, in addition to recovering his reasonable attorneys' fees, may recover additional amounts as determined by the court to be necessary to reimburse the Unit Owner for his share of Assessments levied by the Association to fund its expenses of the litigation.
- 18.3 Fines. In addition to any and all other remedies available to the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation herein or Articles of Incorporation, By-Laws or Rules and Regulations of the Association, provided the following procedures are adhered to:
- (a) Notice: The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include: (i) a statement of the date, time and place of the hearing; (ii) a statement of the provisions of the Declaration, By-Laws, Articles or rules which have allegedly been violated; and (iii) a short and plain statement of the matters asserted by the Association.
  - (b) Hearing: The non-compliance shall be presented to a committee of other Unit Owners, who shall hear reasons why penalties should not be imposed. The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the committee. A written decision of the committee shall be submitted to the Owner or occupant by not later than twenty-one (21) days after the meeting. If the committee does not agree with the fine, the fine may not be levied.
  - (c) Fines: The Board of Directors may impose fines against the applicable Unit up to the maximum amount permitted by law from time to time. At the time of the recordation of this Declaration, the Act provides that no fine may exceed \$100.00 per violation, or \$1,000.00 in the aggregate.
  - (d) Violations: Each separate incident which is grounds for a fine shall be the basis of one separate fine. In the case of continuing violations, each continuation of same after a notice thereof is given shall be deemed a separate incident.
  - (e) Payment of Fines: Fines shall be paid not later than thirty (30) days after notice of the imposition thereof.



- (f) Application of Fines: All monies received from fines shall be allocated as directed by the Board of Directors.
- (g) Non-exclusive Remedy: These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner or occupant shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner or occupant.
19. Termination of Condominium. The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (b) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of Owners owning at least 80% of the applicable interests in the Common Elements and by the Institutional First Mortgagees of Units to which at least sixty-seven percent (67%) of the voting interests of Units subject to mortgages held by Institutional First Mortgagees are appurtenant. In the event such withdrawal is authorized as aforesaid, and provided that the Board first notifies the Division of an intended withdrawal, the Condominium Property shall be subject to an action for partition by any Unit Owner, mortgagee or lienor as if owned in common in which event the net proceeds of the partition sale shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all mortgages and liens on his Unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the public records of the County. The Association shall, within thirty (30) business days following such recordation, provide the Division with a copy of such recorded certificate. This Section may not be amended without the consent of the Developer as long as it owns any Unit.
20. Additional Rights of Mortgagees and Others.
- 20.1 Availability of Association Documents. The Association shall have current and updated copies of the following available for inspection by Institutional First Mortgagees during normal business hours or under other reasonable circumstances as determined by the Board: (a) this Declaration; (b) the Articles; (c) the By-Laws; (d) the rules and regulations of the Association; and (e) the books, records and financial statements of the Association.
- 20.2 Amendments. Subject to the other provisions of this Declaration and except as provided elsewhere to the contrary, an amendment directly affecting any of the following shall require the approval of a Majority of Institutional First Mortgagees: (a) voting rights; (b) increases in assessments by more than 25% over the previous assessment amount, assessment liens or the priority of assessment liens; (c) reductions in reserves for maintenance, repair and replacement of Common Elements and/or Association Property; (d) responsibility for maintenance and repairs; (e) reallocation of interests in the Common Elements (including Limited Common Elements) or rights to their use; (f) redefinition of Unit boundaries; (g) conversion of Units into Common Elements or Common Elements into Units; (h) expansion or contraction of the Condominium; (i) hazard or fidelity insurance requirements; (j) imposition of restrictions on leasing of units; (k) imposition of restrictions on the selling or transferring of title to Units; (l) restoration or repair of the Condominium after a casualty or partial condemnation; (m) any action to terminate the Condominium after casualty or condemnation; and (n) any provision that expressly benefits mortgage holders, insurers or guarantors as a class. In accordance with Section 718.110(11), Florida Statutes, any consent required of a mortgagee may not be unreasonably withheld.
- 20.3 Notices. Any holder, insurer or guarantor of a mortgage on a Unit shall have, if first requested in writing from the Association, the right to timely written notice of:
- (a) any condemnation or casualty loss affecting a material portion of the Condominium and/or Association Property or the affected mortgaged Unit;
- (b) a sixty (60) day delinquency in the payment of the Assessments on a mortgaged Unit;

- (c) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and
- (d) any proposed action which requires the consent of a specified number of mortgage holders.

20.4 Additional Rights. Institutional First Mortgagees shall have the right, upon written request to the Association, to: (a) receive a copy of an audited financial statement of the Association for the immediately preceding fiscal year if such statements were prepared; and (b) receive notices of and attend Association meetings.

21. Covenant Running With the Land. All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association, as well as those of the Master Covenants and the Neighborhood Covenants, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Developer and subsequent owner(s) of the Land or any part thereof, or interest therein, and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations, as well as those of the Master Covenants and the Neighborhood Covenants, all as they may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations of the Association, the Master Covenants and the Neighborhood Covenants, all as they may be amended from time to time, including, but not limited to, a ratification of any appointments of attorneys-in-fact contained herein.
22. The Master Association and Neighborhood Association. The Condominium is part of a development known as The Lakes of Laguna (the "Community"). The Common Areas of the Community are governed by the Master Association and the Neighborhood Association pursuant to the Master Covenants and the Neighborhood Covenants. The Master Covenants and the Neighborhood Covenants contain certain rules, regulations and restrictions relating to the use of such Common Areas as well as the Condominium Property (including Units). Each Unit Owner (either directly or by virtue of membership in the Condominium Association) will be a member of the Master Association and the Neighborhood Association and will be subject to all of the terms and conditions of the Master Covenants and the Neighborhood Covenants, all as amended and supplemented from time to time. Among the powers of the Master Association and the Neighborhood Association are the power to assess Unit Owners (and other members of the Master Association and Neighborhood Association), either directly or by virtue of their membership in the Condominium Association, for a pro-rata share of the expenses of the operation and maintenance (including the management fees relating to) of such portions of the Community and to impose and foreclose liens in the event such assessments are not paid when due. Except for those instances where the use is limited pursuant to the Master Covenants and/or the Neighborhood Covenants, the Unit Owners shall be entitled to use all of said portions of the Community in accordance with and subject to the terms of the Master Covenants and the Neighborhood Covenants.
23. Disclaimer of Warranties. Notwithstanding that this Condominium is a conversion of previously occupied premises, Developer has elected to warrant the improvements solely to the extent provided in Section 718.618 Florida Statutes. Except only for those warranties provided in Section 718.618, Florida Statutes (and only to the extent applicable and not yet expired), and those of Section 718.203, Florida Statutes (to the extent applicable and not yet expired), to the maximum extent lawful Developer hereby disclaims any and all and each and every express or implied warranties, whether established by statutory, common, case law or otherwise, as to the design, construction, sound and/or odor transmission, existence and/or development of molds, mildew, toxins or fungi, furnishing and equipping of the Condominium Property, including, without limitation, any implied warranties of habitability, fitness for a particular purpose or merchantability, compliance with plans, all warranties imposed by statute (other than those imposed by Sections

718.618 and 718.203, Florida Statutes, and then only to the extent applicable and not yet expired) and all other express and implied warranties of any kind or character. Developer has not given and the Unit Owner has not relied on or bargained for any such warranties. Each Unit Owner recognizes and agrees that the Unit and Condominium are not new construction and were not constructed by Developer. Each Unit Owner, by accepting a deed to a Unit, or other conveyance thereof, shall be deemed to represent and warrant to Developer that in deciding to acquire the Unit, the Unit Owner relied solely on such Unit Owner's independent inspection of the Unit and the Condominium as well as the conversion inspection reports included in the Prospectus. The Unit Owner has not received nor relied on any warranties and/or representations from Developer of any kind, other than as expressly provided herein.

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).

Further, given the climate and humid conditions in South Florida, molds, mildew, toxins and fungi may exist and/or develop within the Unit and/or the Condominium Property. Each Owner is hereby advised that certain molds, mildew, toxins and/or fungi may be, or if allowed to remain for a sufficient period may become, toxic and potentially pose a health risk. By acquiring title to a Unit, each Owner shall be deemed to have assumed the risks associated with molds, mildew, toxins and/or fungi and to have released the Developer from any and all liability resulting from same, including, without limitation, any liability for incidental or consequential damages (which may result from, without limitation, the inability to possess the Unit, inconvenience, moving costs, hotel costs, storage costs, loss of time, lost wages, lost opportunities and/or personal injury). Without limiting the generality of the foregoing, leaks, wet flooring and moisture will contribute to the growth of mold, mildew, fungus or spores. Each Unit Owner, by acceptance of a deed, or otherwise acquiring title to a Unit, shall be deemed to have agreed that Developer is not responsible, and the Developer hereby disclaims any responsibility for any illness or allergic reactions, personal injury or death which may be experienced by the Unit Owner, its family members and/or its or their guests, tenants and invitees and to any pets of persons aforementioned in this sentence, as a result of mold, mildew, fungus or spores. It is the Unit Owner's responsibility to keep the Unit clean, dry, well-ventilated and free of contamination.

Each Owner understands and agrees that for some time in the future, it, and its guests, tenants and invitees may be disturbed by the noise, commotion and other unpleasant effects of nearby construction activity and as a result Owner and its guests, tenants and invitees may be impeded in using portions of the Condominium Property by that activity. Because the Condominium is located in an urban area, demolition or construction of buildings and other structures within the immediate area or within the view lines of any particular Unit or of any part of the Condominium (the "Views") may block, obstruct, shadow or otherwise affect Views, which may currently be visible from the Unit or from the Condominium. Therefore, each Owner, for itself, its successors and assigns, agrees to release Developer, its partners and its and their officers, members, directors and employees and every affiliate and person related or affiliated in any way with any of them ("Developer's Affiliates") from and against any and all losses, claims, demands, damages, costs and expenses of whatever nature or kind, including attorney's fees and costs, including those incurred through all arbitration and appellate proceedings, related to or arising out of any claim against the Developer or Developer's Affiliates related to Views or the disruption, noise, commotion, and other unpleasant effects of nearby development or construction. As a result of the foregoing, there is no guarantee of view, security, privacy, location, design, density or any other matter.

Lastly, each Owner, by acceptance of a deed or other conveyance of a Unit, understands and agrees that there are various methods for calculating the square footage of a Unit, and that depending on the method of calculation, the quoted square footage of the Unit may vary by more than a nominal amount. Additionally, as a result of in the field construction, other permitted changes to the Unit, and settling and shifting of improvements, actual square footage of a Unit may also be affected. By accepting title to a Unit, the applicable Owner(s) shall be deemed to have conclusively agreed to accept the size and dimensions of the Unit, regardless of any variances in the square footage from that which may have been disclosed at any time prior to closing, whether included as part of

Developer's promotional materials or otherwise. Without limiting the generality of this Section 23, Developer does not make any representation or warranty as to the actual size, dimensions (including ceiling heights) or square footage of any Unit, and each Owner shall be deemed to have fully waived and released any such warranty and claims for losses or damages resulting from any variances between any represented or otherwise disclosed square footage and the actual square footage of the Unit.

24. Additional Provisions.

- 24.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail (return receipt requested) to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him or her from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or 5 business days after proper mailing, whichever shall first occur.
- 24.2 Interpretation. Except where otherwise provided herein, the Board of Directors of the Association shall be responsible for interpreting the provisions hereof and of any of the Exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of legal counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.
- 24.3 Mortgagees. Anything herein to the contrary notwithstanding, the Association shall not be responsible to any mortgagee or lienor of any Unit hereunder, and may assume the Unit is free of any such mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.
- 24.4 Exhibits. There is hereby incorporated in this Declaration all materials contained in the Exhibits annexed hereto, except that as to such Exhibits, any conflicting provisions set forth therein as to their amendment, modification, enforcement and other matters shall control over those hereof.
- 24.5 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a vice-president may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an assistant secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities. Signatures of the President and Secretary on copies of any document required hereunder which is transmitted by facsimile machine shall be deemed originals for all purposes hereunder, and shall be binding upon the parties thereto.
- 24.6 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.
- 24.7 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, Subsection, sentence, paragraph, clause, phrase or word, or other provision of this Declaration, the Exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.
- 24.8 Waiver. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration, the exhibits annexed hereto, or the rules and

regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

- 24.9 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and applicable rules and regulations, are fair and reasonable in all material respects.
- 24.10 Execution of Documents; Attorney-in-Fact. Without limiting the generality of other Sections of this Declaration and without such other Sections limiting the generality hereof, each Owner, by reason of the acceptance of a deed to such Owner's Unit, hereby agrees to execute, at the request of the Developer, all documents or consents which may be required by all governmental agencies to allow the Developer and its affiliates to complete the plan of development of the Condominium as such plan may be hereafter amended, and each such Owner further appoints hereby and thereby the Developer as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of such Owners, any and all of such documents or consents. This power of attorney is irrevocable and coupled with an interest. The provisions of this Section may not be amended without the consent of the Developer.
- 24.11 Gender, Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.
- 24.12 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.
- 24.13 Liability. Notwithstanding anything contained herein or in the Articles of Incorporation, By-laws, any rules or regulations of the Association or any other document governing or binding the Association (collectively, the "Association Documents"), the Association, except to the extent specifically provided to the contrary herein, shall not be liable or responsible for, or in any manner be a guarantor or insurer of, the health, safety or welfare of any Owner, occupant or user of any portion of the Condominium and/or Association Property including, without limitation, Owners and their guests, invitees, agents, servants, contractors or subcontractors or for any property of any such persons. Without limiting the generality of the foregoing:
- (a) it is the express intent of the Association Documents that the various provisions thereof which are enforceable by the Association and which govern or regulate the uses of the properties have been written, and are to be interpreted and enforced, for the sole purpose of enhancing and maintaining the enjoyment of the properties and the value thereof;
  - (b) the Association is not empowered, and has not been created, to act as an entity which enforces or ensures the compliance with the laws of the United States, State of Florida, County and/or any other jurisdiction or the prevention of tortious activities; and
  - (c) the provisions of the Association Documents setting forth the uses of assessments which relate to health, safety and/or welfare shall be interpreted and applied only as limitations on the uses of assessment funds and not as creating a duty of the Association to protect or further the health, safety or welfare of any person(s), even if assessment funds are chosen to be used for any such reason.

Each Owner (by virtue of his acceptance of title to his Unit) and each other person having an interest in or lien upon, or making use of, any portion of the properties (by virtue of accepting such interest or lien or making such use) shall be bound by this provision and shall be deemed to have automatically waived any and all rights, claims, demands and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been disclaimed hereby. As used herein, "Association" shall include within its meaning all of Association's directors, officers, committee and board members, employees, agents, contractors (including management companies), subcontractors, successors, nominees and assigns. The provisions hereof shall also inure to the benefit of Developer, which shall be fully protected hereby.

(Reserved for Clerk of Court)

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed and its corporate seal to be hereunto affixed as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_.

Witnessed by:

**San Marino 355, LLC, a Florida limited liability company**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Name: \_\_\_\_\_

[CORPORATE SEAL]

Address: 14160 Palmetto Frontage Rd.  
Suite 21  
Miami Lakes, Florida 33016

STATE OF FLORIDA            )  
  ) SS:  
COUNTY OF \_\_\_\_\_ )

The foregoing Declaration was acknowledged before me, this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **San Marino 355, LLC, a Florida limited liability company** on behalf of said limited liability company. He/she is personally known to me or has produced \_\_\_\_\_ as identification.

Name: \_\_\_\_\_

My Commission Expires:

Notary Public, State of Florida  
Commission No.: \_\_\_\_\_

(Notarial Seal)

\_\_\_\_\_

(Reserved for Clerk of Court)

**JOINDER**

**EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**, a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached hereto.

**IN WITNESS WHEREOF, EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.** has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

Witnessed by:

**EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**, a Florida corporation not for profit

Name: \_\_\_\_\_

By: \_\_\_\_\_, President

Name: \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA            )  
  ) SS:  
COUNTY OF \_\_\_\_\_ )

The foregoing joinder was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, by \_\_\_\_\_, as President of **EMERALD ISLE AT LAGUNA LAKES ASSOCIATION, INC.**, a Florida corporation not-for-profit, on behalf of said corporation. He is personally known to me or has produced \_\_\_\_\_ as identification.

Name: \_\_\_\_\_

My Commission Expires:

Notary Public, State of Florida  
Commission No.: \_\_\_\_\_

(Notarial Seal)





Exhibit "1"

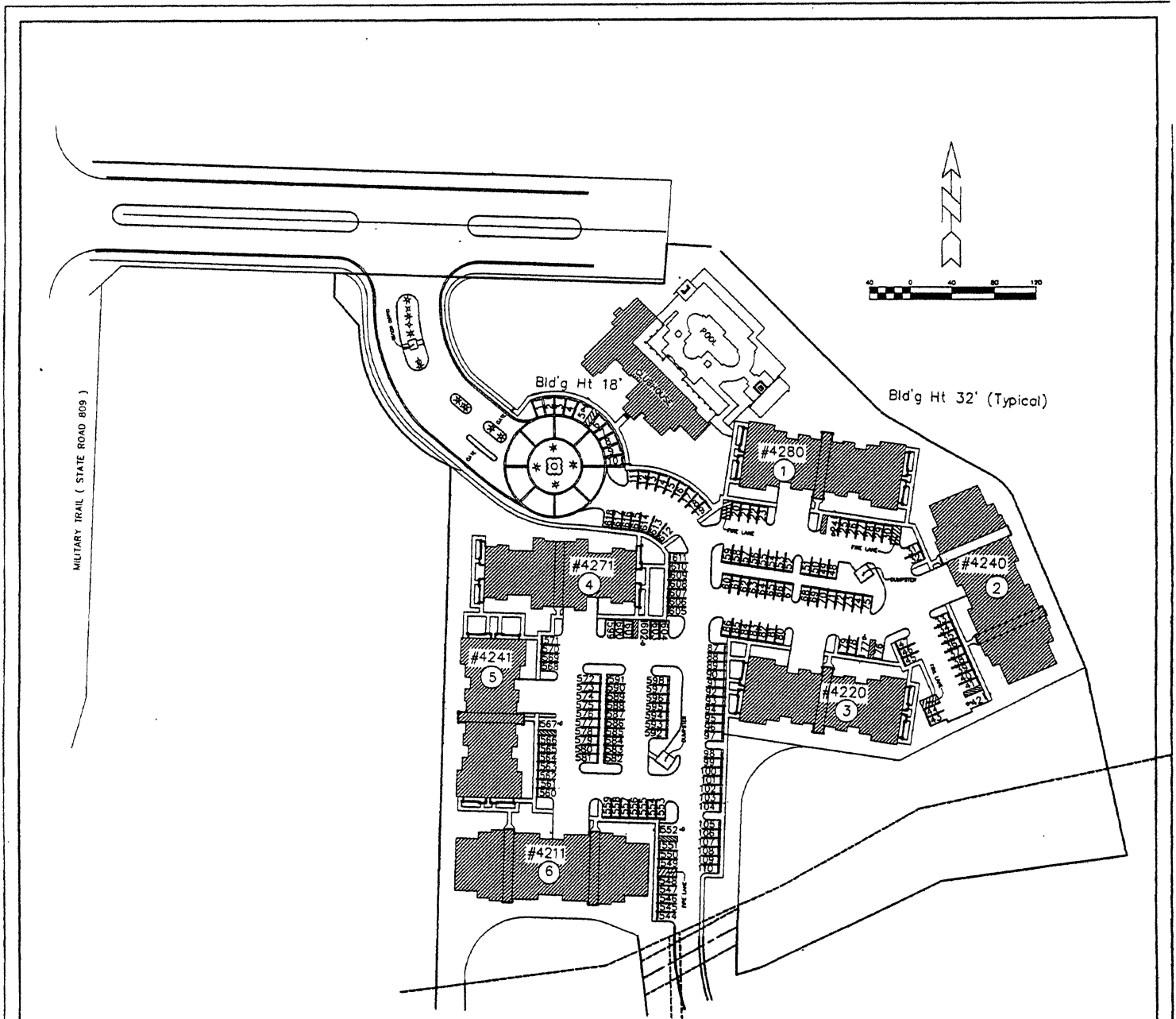
Legal Description of Condominium Property

PARCEL NO. 1:

A parcel of land lying in Section 12, Township 43 South, Range 42 East, Palm Beach County, Florida, said parcel of land being Tract "T", Tract "W-2" and a portion of Tract "W-1", as shown on the Plat of San Marino at Bear Lakes, as recorded in Plat Book 92, Pages 44 through 46, Public Records of Palm Beach County, Florida, said parcel being more particularly described as follows:

Beginning at the Southwest corner of said Tract "T"; thence South 88°19'12" East along the South line of said Tract "T", a distance of 336.58 feet; thence North 01°40'48" East, a distance of 826.47 feet; thence North 11°39'13" West, a distance of 49.33 feet; thence North 61°50'30" East, a distance of 43.74 feet; thence North 22°04'18" West, a distance of 252.47 feet to a point of curvature of a curve concave to the Northeast; thence Northwesterly along the arc of said curve having a central angle of 13°56'57" and a radius of 50.00 feet, a distance of 12.17 feet; thence North 08°07'21" West, a distance of 48.24 feet; thence North 12°06'07" West, a distance of 185.07 feet; thence North 22°33'20" West, a distance of 173.87 feet to the point of curvature of a curve concave to the Southwest; thence Northwesterly along the arc of said curve, having a central angle of 38°06'17" and a radius of 50.00 feet, a distance of 33.25 feet; thence North 60°39'38" West, a distance of 113.85 feet to the point of curvature of a curve concave to the Northeast; thence Northwesterly along the arc of said curve having a central angle of 15°32'03" and a radius of 50.00 feet, a distance of 13.56 feet; thence North 45°07'35" West, a distance of 212.87 feet to the point of curvature of a curve concave to the Southwest; thence Northwesterly along the arc of said curve, having a central angle of 40°52'09" and a radius of 15.00 feet, a distance of 10.70 feet; thence North 85°59'44" West, a distance of 43.41 feet; thence South 03°56'43" West, a distance of 38.51 feet; thence North 88°03'17" West, a distance of 320.06 feet; thence South 01°56'42" West, a distance of 23.33 feet; thence South 43°03'18" East, a distance of 36.52 feet to a point of curvature of a curve concave to the Northeast; and whose chord bears South 33°21'28" East, thence Southeasterly along the arc of said curve having a central angle of 65°37'03" and a radius of 150.00 feet, a distance of 171.79 feet; thence South 01°40'48" West, a distance of 608.92 feet to a point on a curve concave to the Northwest and whose chord bears South 69°24'59" West; thence Southwesterly along the arc of said curve, having a central angle of 14°54'07" and a radius of 60.00 feet, a distance of 15.61 feet to the point of reverse curvature of a curve concave to the Southeast; thence Southwesterly along the arc of said curve, having a central angle of 96°37'30" and a radius of 30.00 feet, a distance of 50.59 feet to a point of tangency; thence South 19°45'27" East, a distance of 211.20 feet to the point of curvature of a curve concave to the Northeast; thence Southeasterly along the arc of said curve, having a central angle of 17°57'41" and a radius of 200.00 feet, a distance of 62.70 feet to a point of tangency; thence South 37°43'07" East, a distance of 38.69 feet to point of curvature of a curve concave to the Northeast; thence Southeasterly along the arc of said curve having a central angle of 12°43'14" and a radius of 200.00 feet, a distance of 44.40 feet to a point of tangency; thence South 50°26'22" East, a distance of 157.04 feet to the point of curvature of a curve concave to the Northeast; thence Southeasterly along the arc of said curve having a central angle of 31°16'29" and a radius of 200.00 feet, a distance of 109.17 feet to a point of tangency; thence South 81°42'51" East, a distance of 69.90 feet to the point of curvature of a curve concave to the Northwest; thence Northeasterly along the arc of said curve having a central angle of 96°36'21" and a radius of 30.00 feet, a distance of 50.58 feet to the point of tangency; thence South 01°40'48" West, a distance of 222.26 feet; thence North 88°19'12" West, a distance of 46.25 feet; thence South 01°40'48" West, a distance of 237.58 feet to the Point of Beginning aforescribed.

Exhibit "2"



LIMITED COMMON ELEMENTS

ASSIGNED PARKING SPACES, BALCONIES AND TERRACES.

COMMON ELEMENTS

HALLWAYS, WALKWAYS, STAIRS, EXTERIOR BUILDING DOORS, FENCES / GATES,  
WALL DIVIDING UNITS, TRASH/DUMPSTERS, MAINTENANCE BUILDING,  
PARKING SPACES, DRIVEWAYS, POOL, POOL DECK, TENNIS COURT, TOT LOT,  
VOLLEY BALL COURT AND CLUBHOUSE BUILDING.

TOTAL PARKING SPACES = 618

A/C UNITS ARE APPURTENANT TO THEIR CORRESPONDING UNITS.

"ALL ITEMS SHOWN ARE EXISTING UNLESS OTHERWISE NOTED"

EDUARDO ALBERTO VAZQUEZ, RA  
4400 NW 79 AVE  
MIAMI, FLORIDA 33166  
TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
CONDOMINIUM  
4300 SAN MARINO BLV.  
WEST PALM BEACH, FL

LIMITED COMMON ELEMENTS

ASSIGNED PARKING SPACES, BALCONIES AND TERRACES.

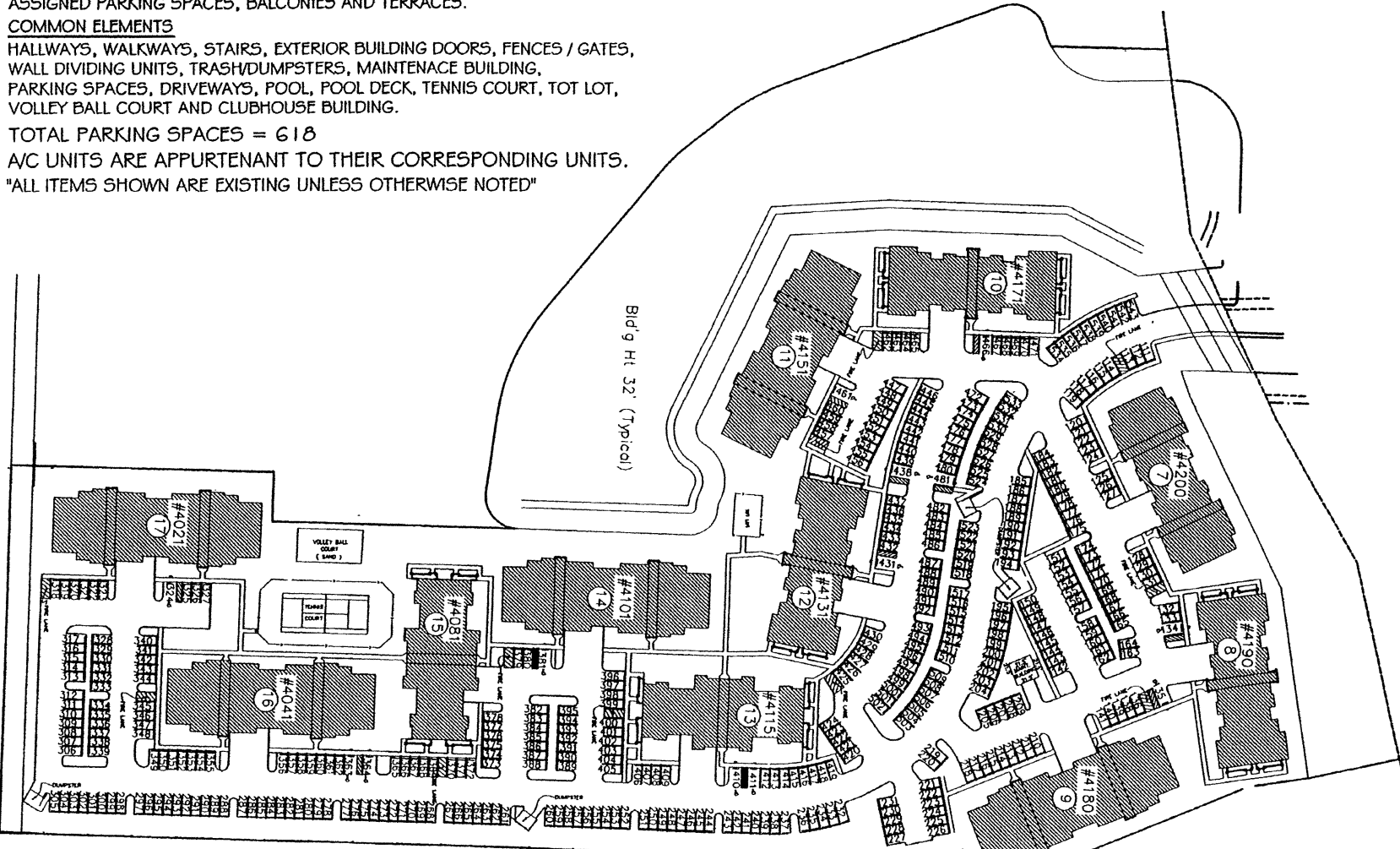
COMMON ELEMENTS

HALLWAYS, WALKWAYS, STAIRS, EXTERIOR BUILDING DOORS, FENCES / GATES,  
WALL DIVIDING UNITS, TRASH/DUMPSTERS, MAINTENACE BUILDING,  
PARKING SPACES, DRIVEWAYS, POOL, POOL DECK, TENNIS COURT, TOT LOT,  
VOLLEY BALL COURT AND CLUBHOUSE BUILDING.

TOTAL PARKING SPACES = 618

A/C UNITS ARE APPURTENANT TO THEIR CORRESPONDING UNITS.

"ALL ITEMS SHOWN ARE EXISTING UNLESS OTHERWISE NOTED"

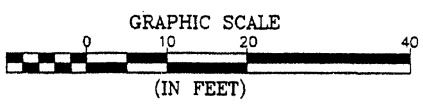
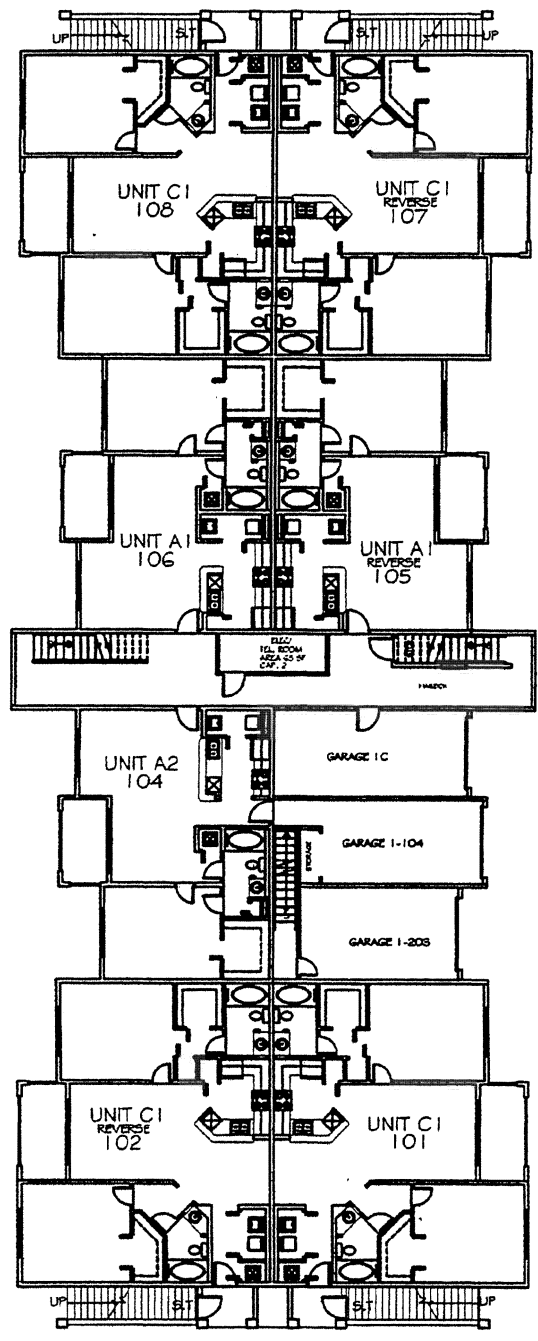


EDUARDO ALBERTO VAZQUEZ, RA  
4400 NW 79 AVE  
MIAMI, FLORIDA 33166  
TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
CONDOMINIUM  
4300 SAN MARINO BLV.  
WEST PALM BEACH, FL

Handwritten signature and date: 6/10/04



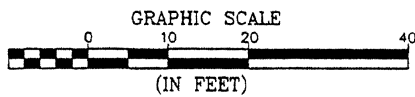
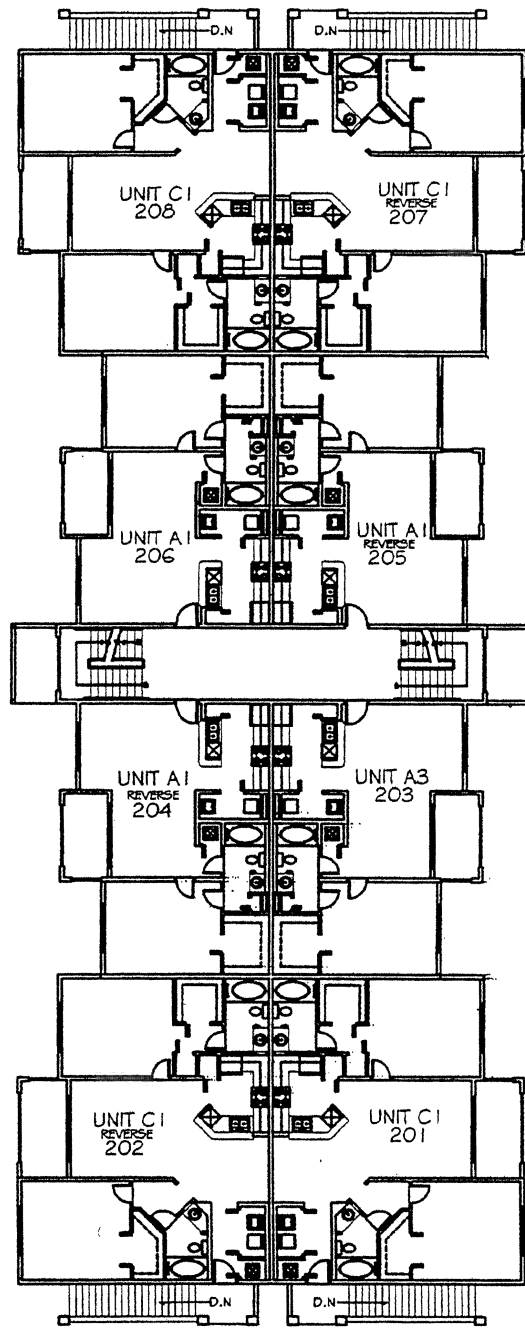
BUILDING # 1- 4280  
 TYPE I  
 GROUND FLOOR

*[Handwritten signature]*  
 6-16-04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

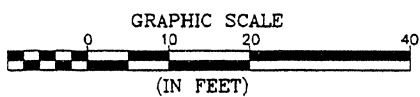
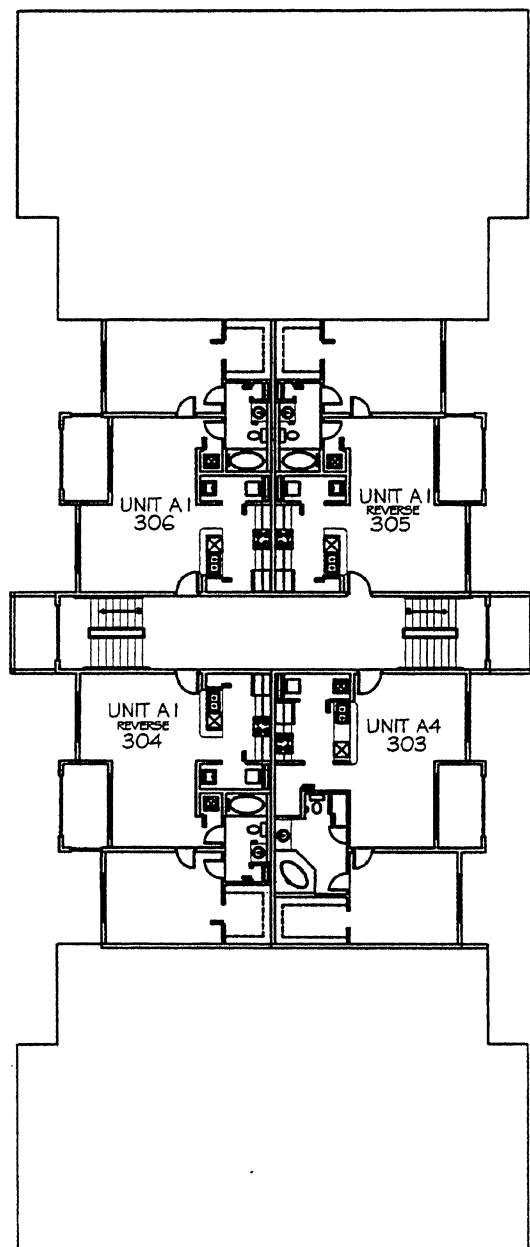


BUILDING # 1- 4280  
 TYPE I  
 SECOND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



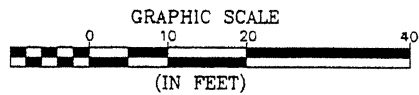
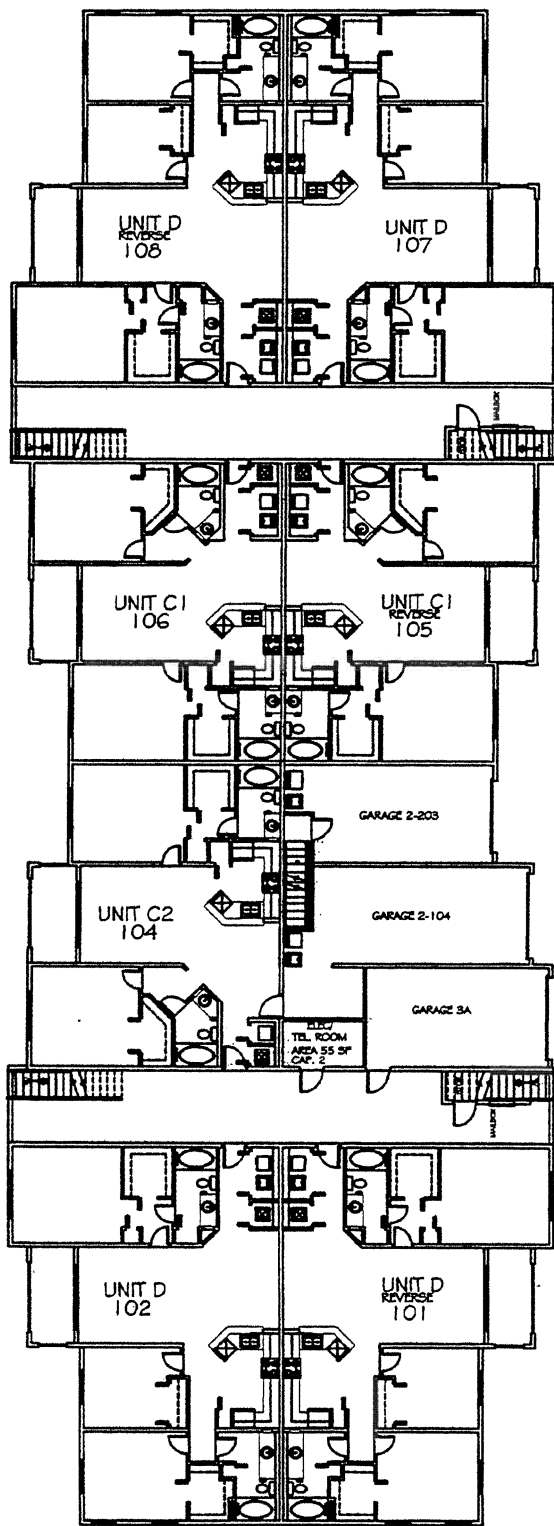
BUILDING # 1 - 4280  
 TYPE I  
 THIRD FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



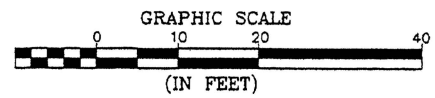
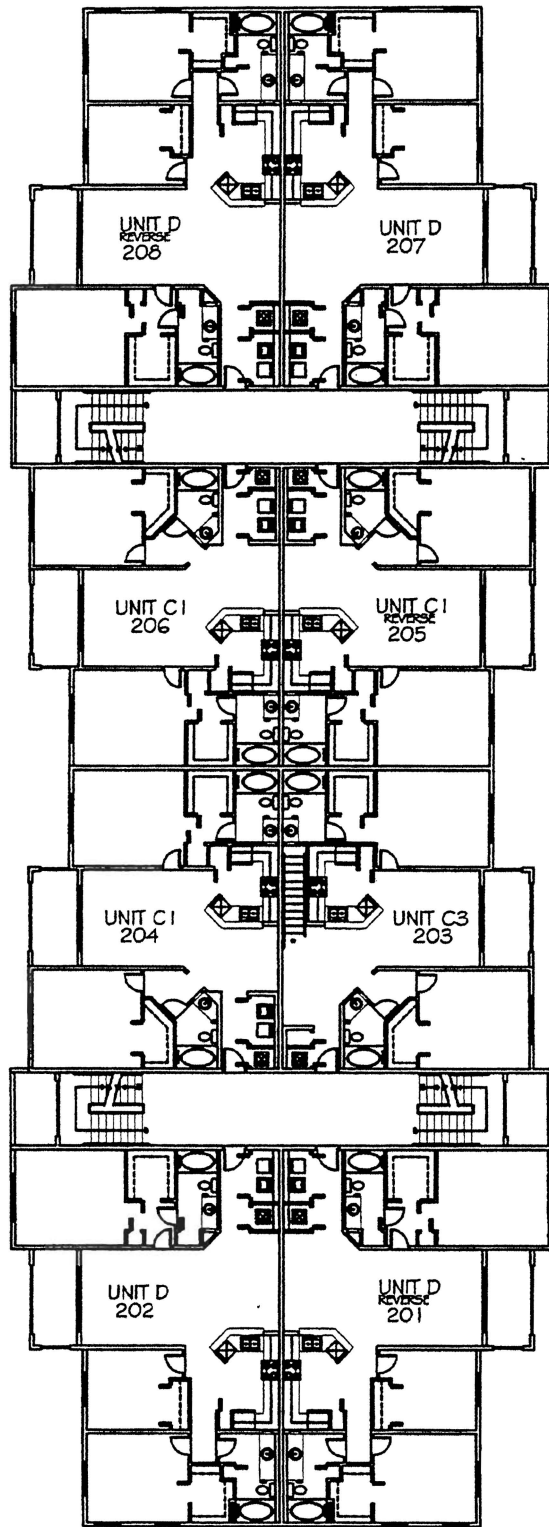
BUILDING # 2- 4240  
 TYPE 3  
 GROUND FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



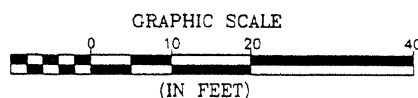
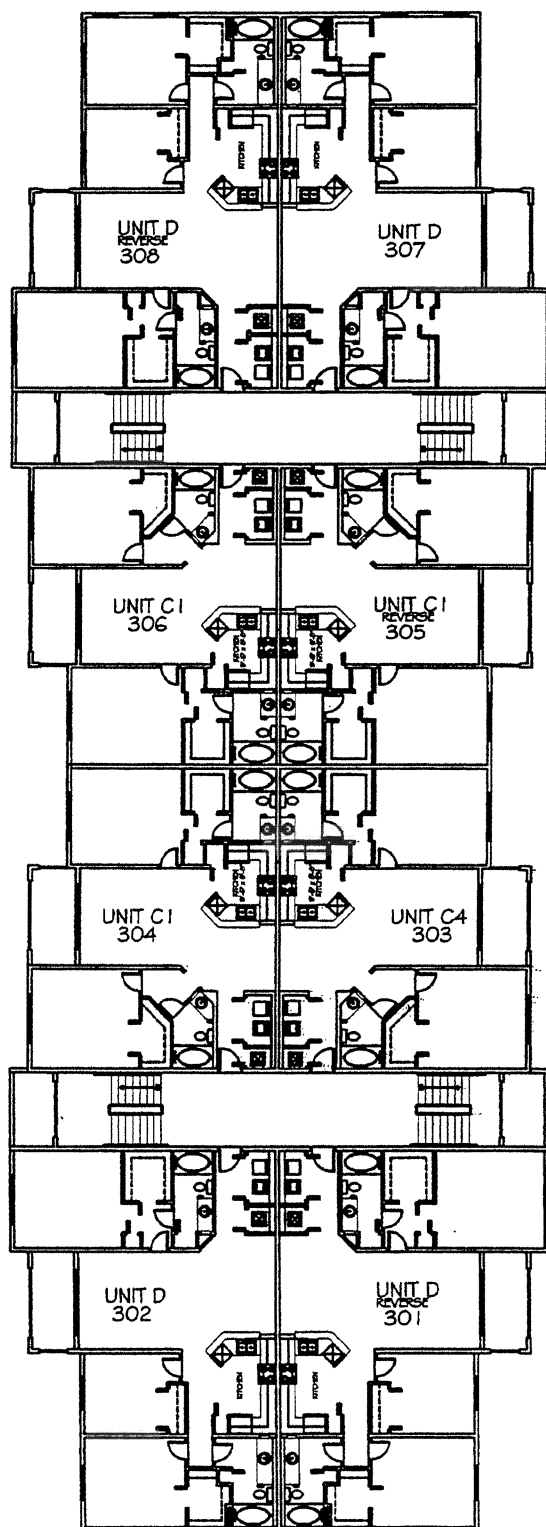
BUILDING # 2-4240  
 TYPE 3  
 SECOND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL





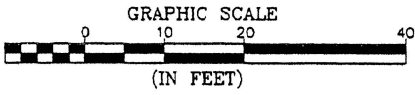
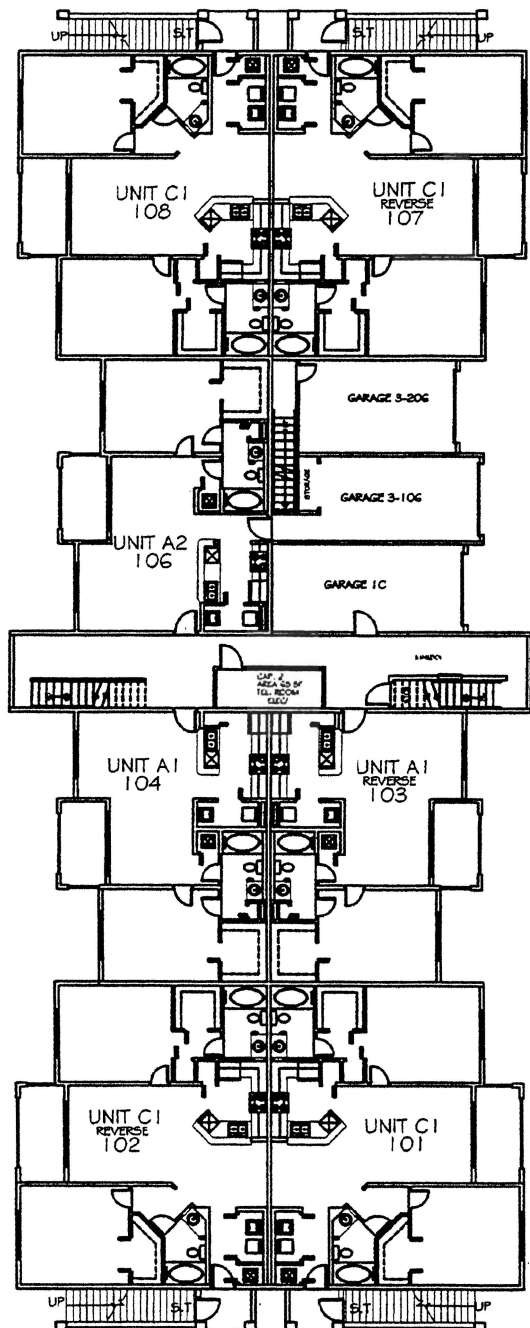
BUILDING # 2- 4240  
 TYPE 3  
 THIRD FLOOR

*[Handwritten signature]*  
 3/1/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



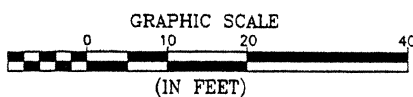
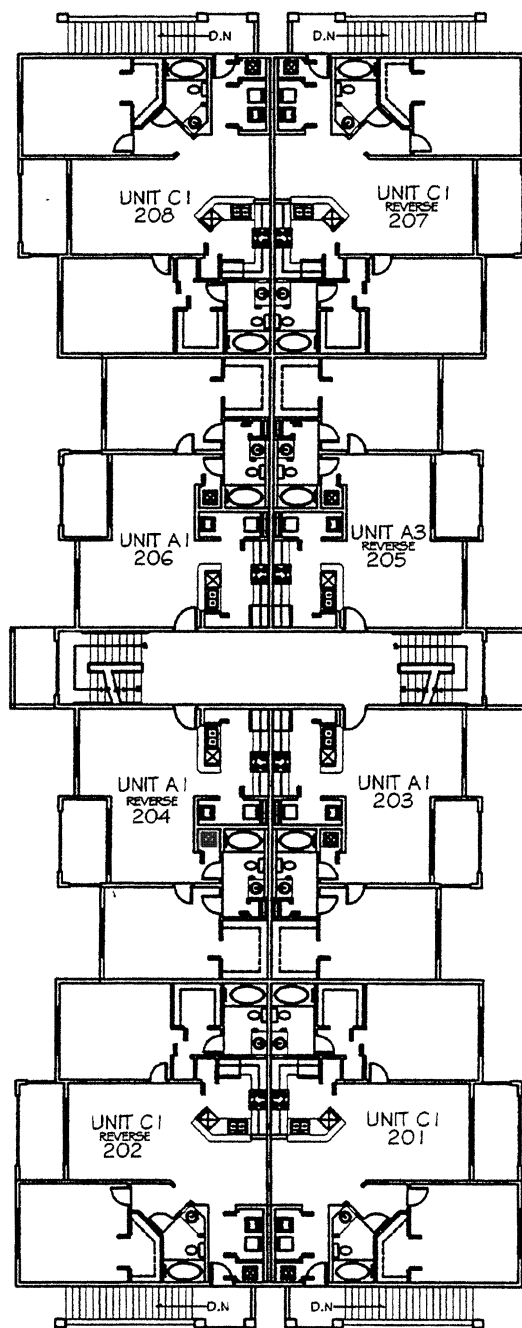
BUILDING # 3- 4220  
 TYPE I  
 GROUND FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



BUILDING # 3- 4220  
TYPE I  
SECOND FLOOR

*[Handwritten signature]*  
3-10-04

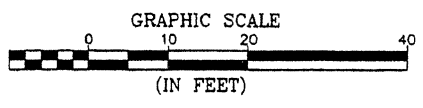
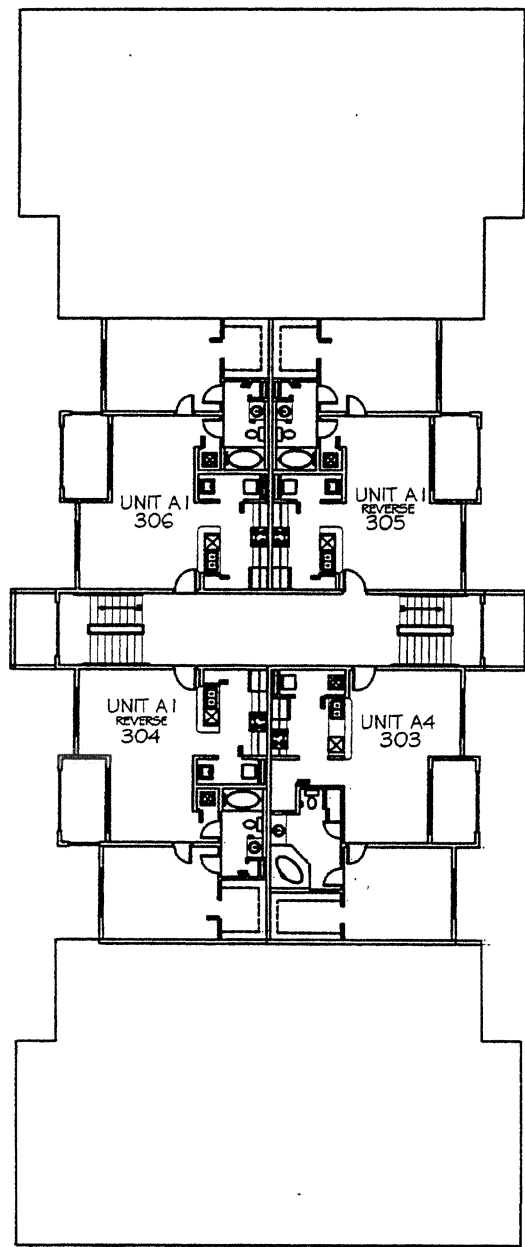
EDUARDO ALBERTO VAZQUEZ, RA

4400 NW 79 AVE  
MIAMI, FLORIDA 33166  
TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE

CONDOMINIUM  
4300 SAN MARINO BLV.  
WEST PALM BEACH, FL

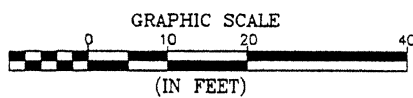
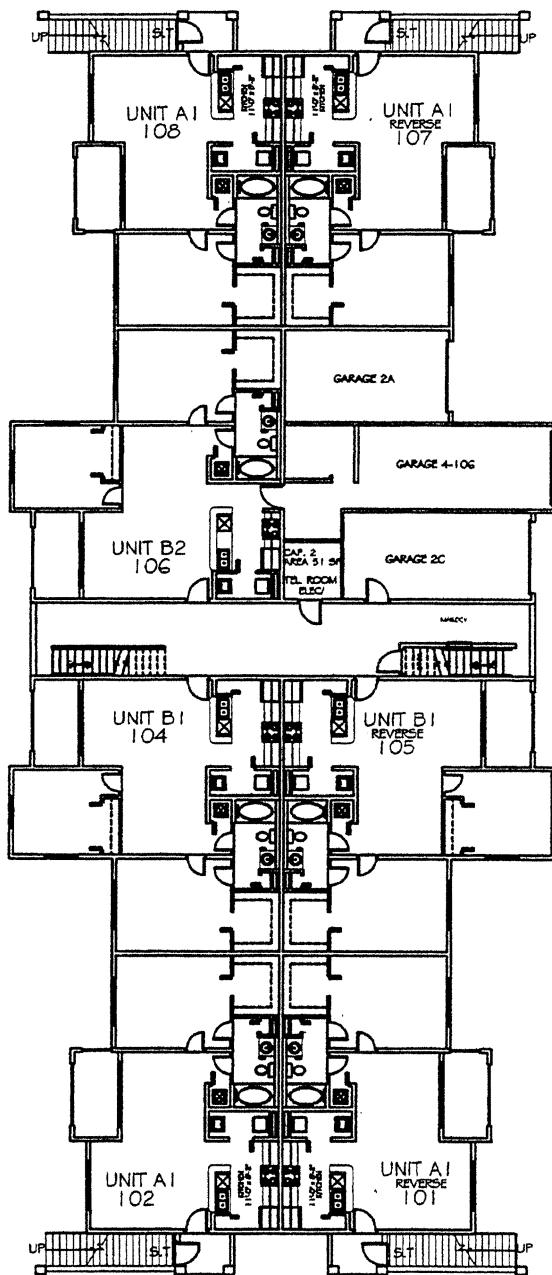


BUILDING # 3- 4220  
 TYPE I  
 THIRD FLOOR

*[Handwritten signature]*  
 10-0-04  
 43-0-04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114  
 DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

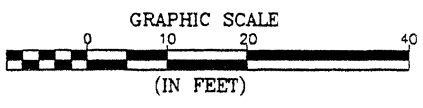
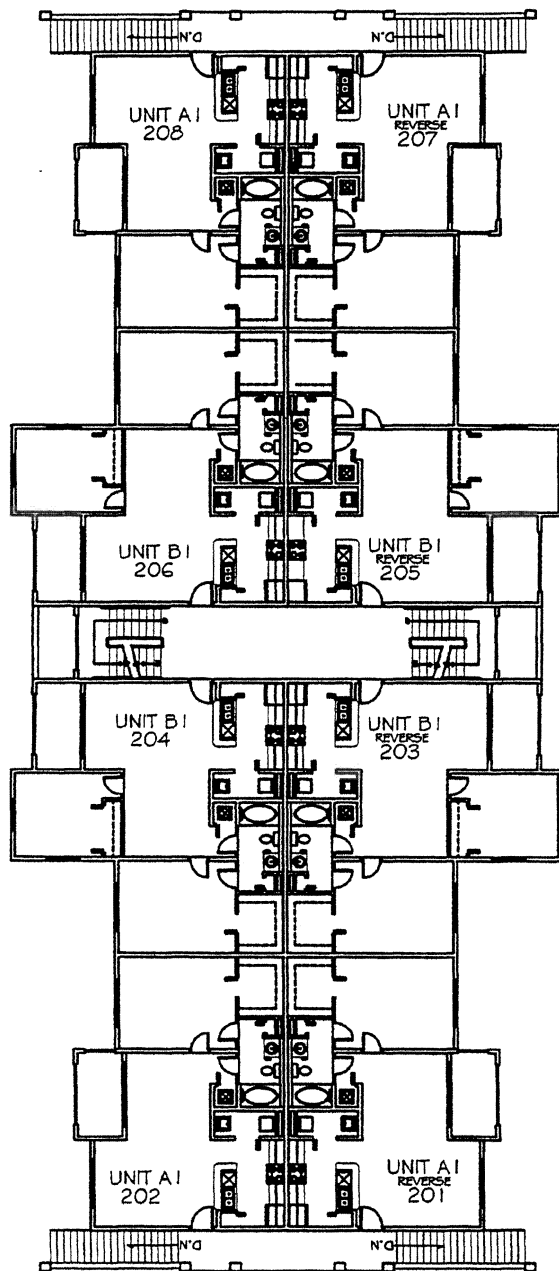


BUILDING # 4- 4271  
 TYPE 2  
 GROUND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

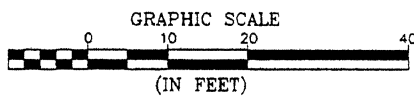
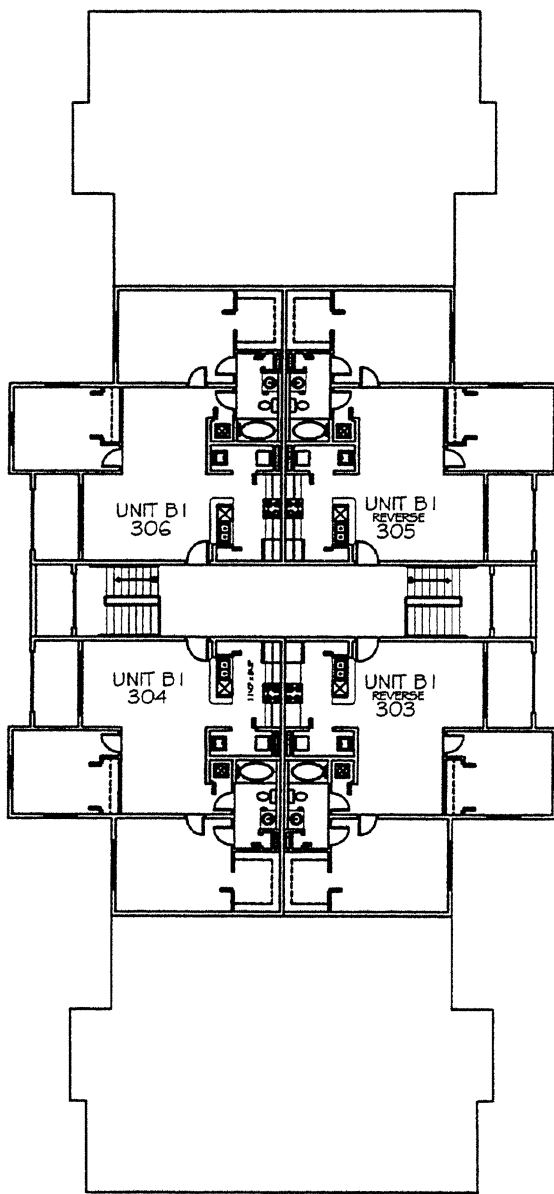


BUILDING # 4- 4271  
 TYPE 2  
 SECOND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

DATE: JUNE , 2004

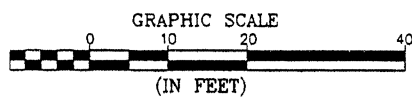
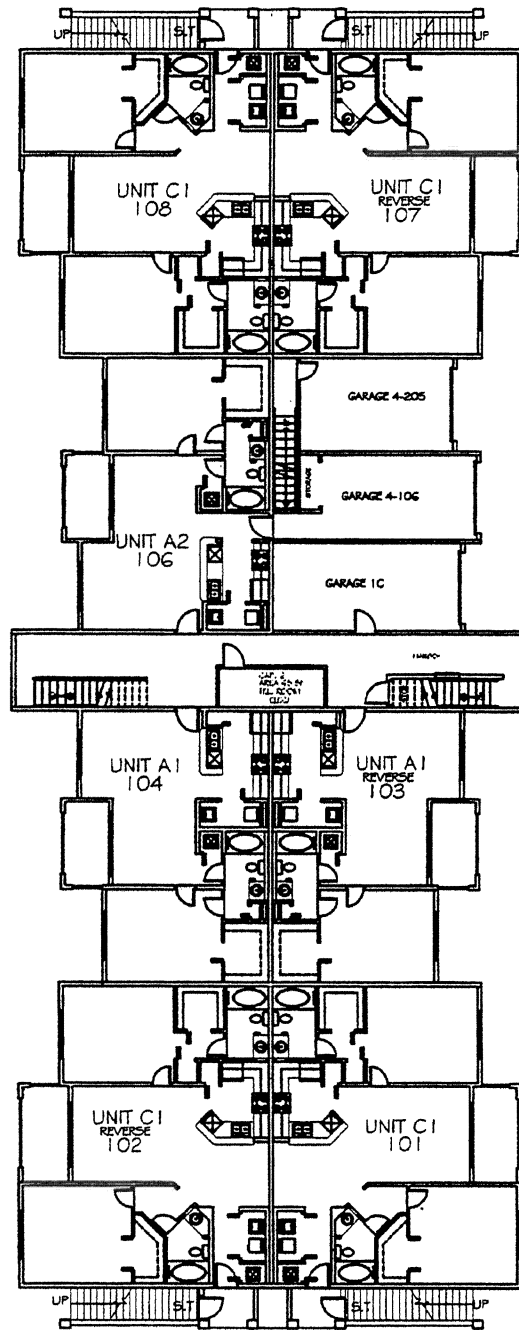


BUILDING # 4- 4271  
 TYPE 2  
 THIRD FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



BUILDING # 5- 4241  
 TYPE I  
 GROUND FLOOR

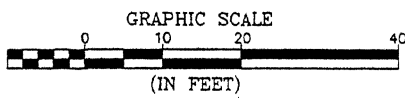
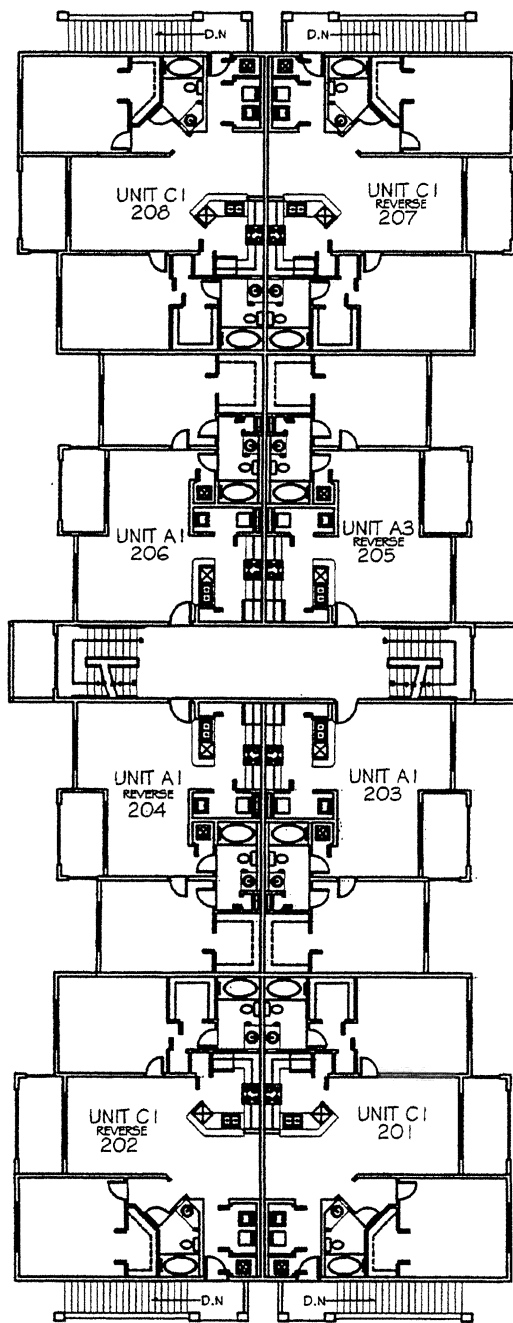
*[Handwritten signature]*  
 6-10-04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

DATE: JUNE , 2004



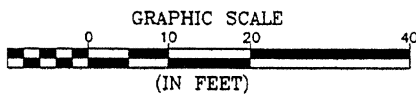
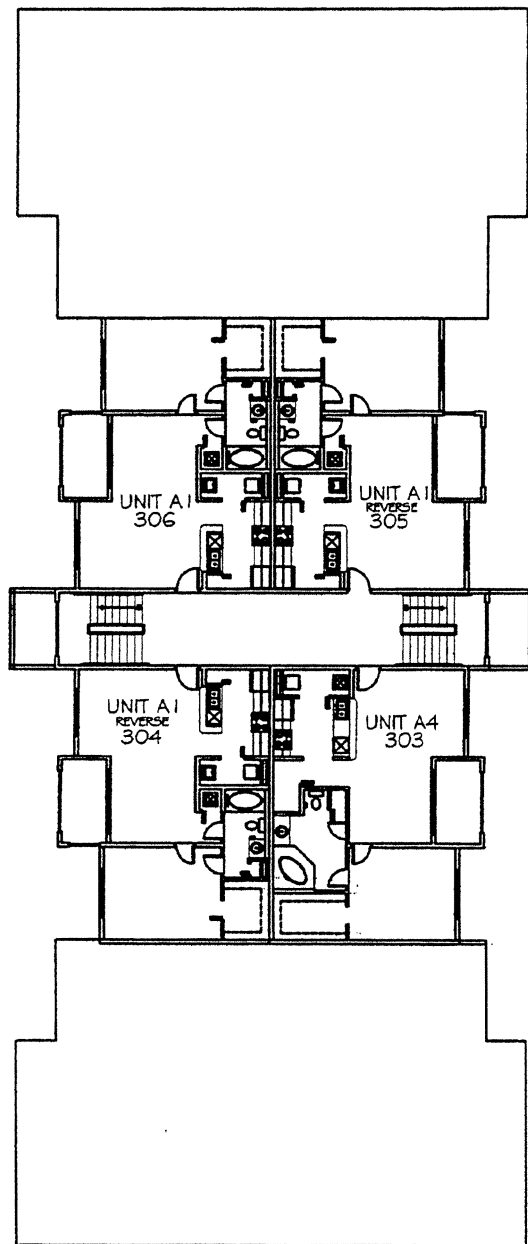


BUILDING # 5- 4241  
 TYPE I  
 SECOND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

DATE: JUNE , 2004



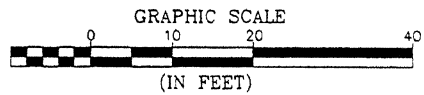
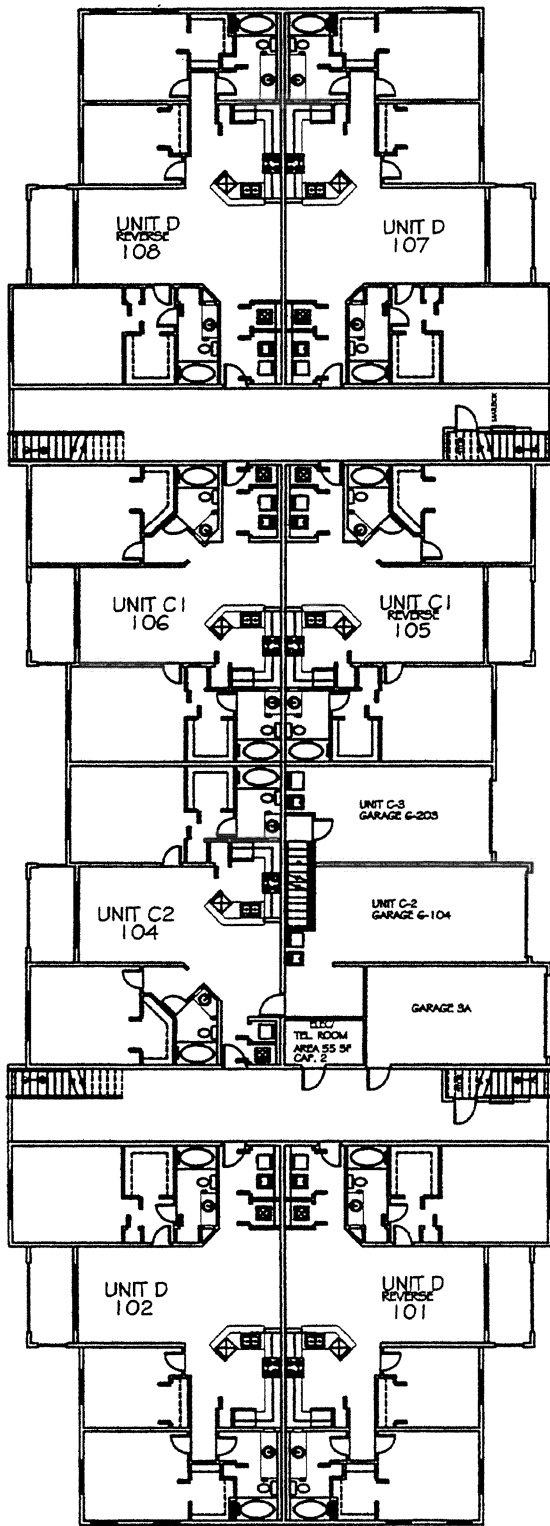
BUILDING # 5- 4241  
 TYPE I  
 THIRD FLOOR

*[Handwritten Signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



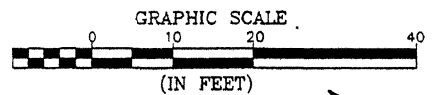
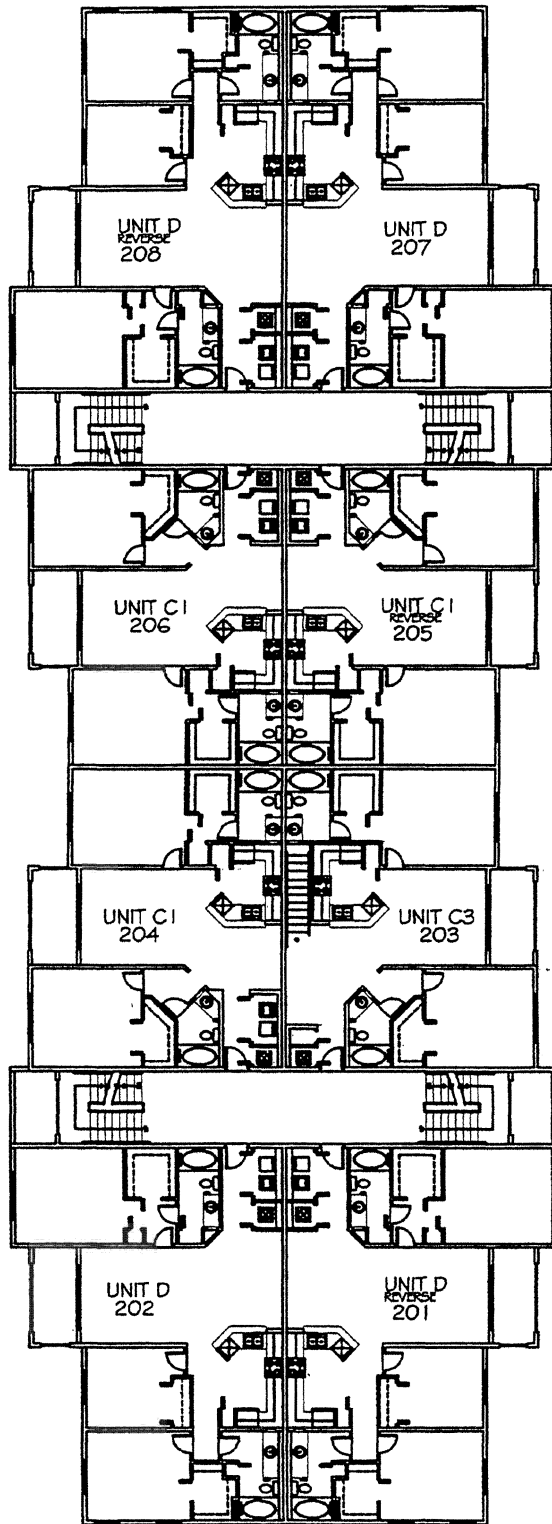
BUILDING # 6- 4211  
 TYPE 3  
 GROUND FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



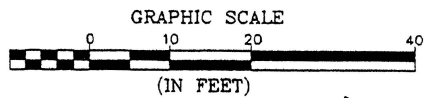
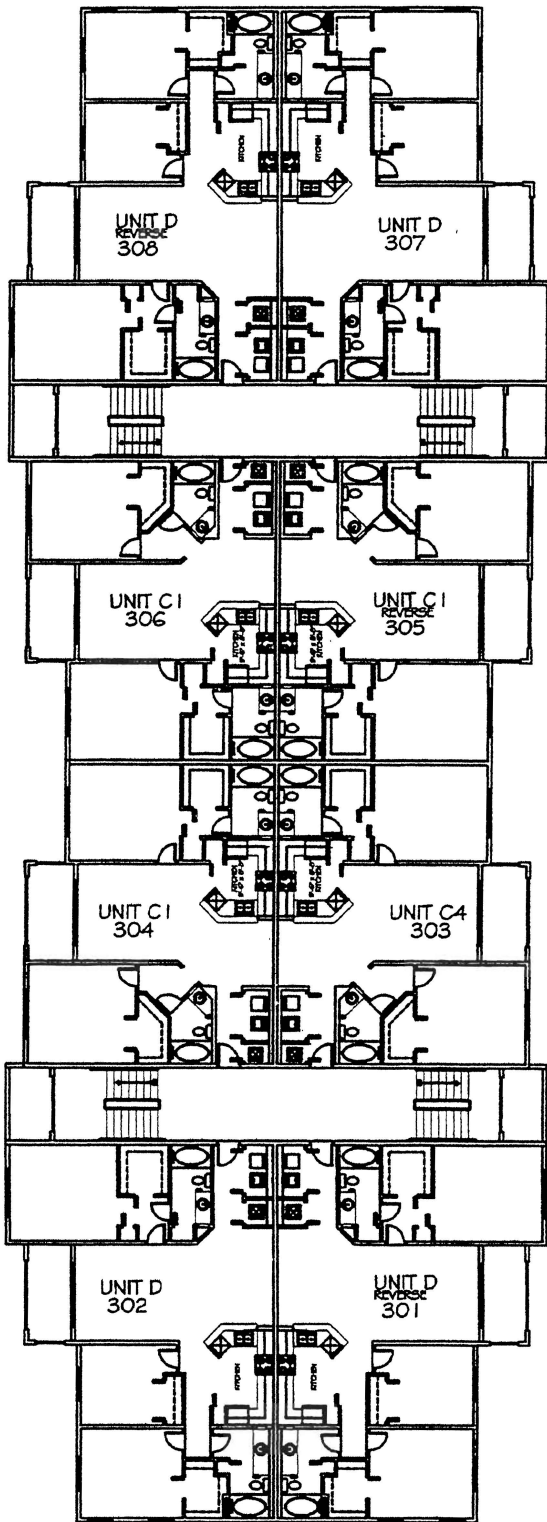
BUILDING # 6-421  
TYPE 3  
SECOND FLOOR

*[Handwritten signature]*  
6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
4400 NW 79 AVE  
MIAMI, FLORIDA 33166  
TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
CONDOMINIUM  
4300 SAN MARINO BLV.  
WEST PALM BEACH, FL



BUILDING # 6- 421  
 TYPE 3  
 THIRD FLOOR

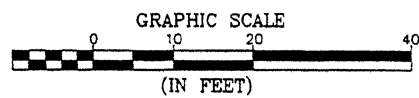
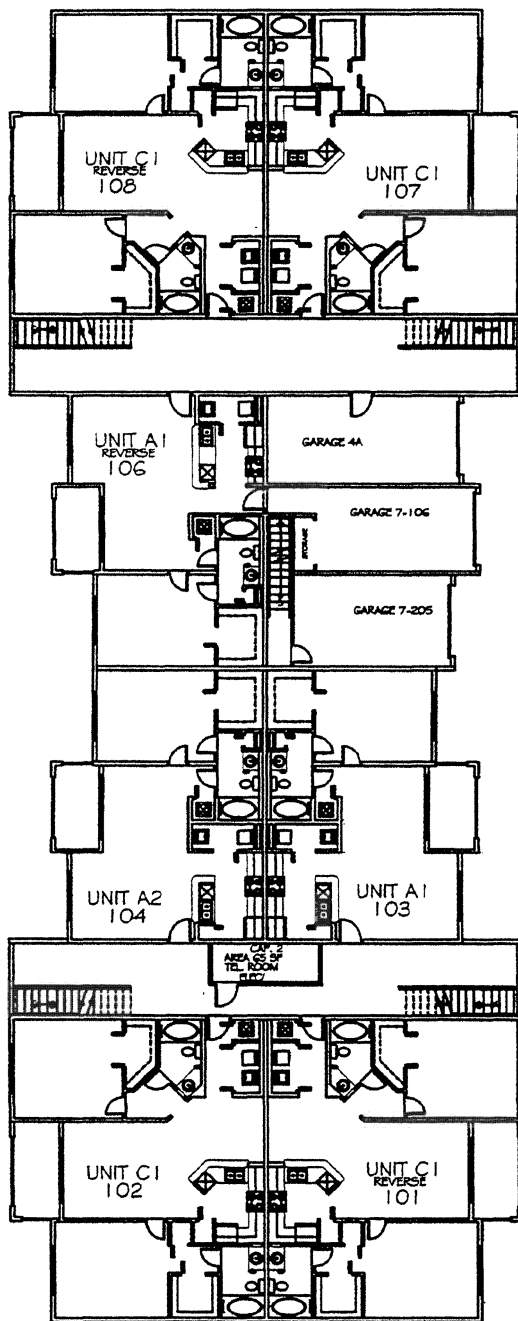
EDUARDO ALBERTO VAZQUEZ, RA

4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE

CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



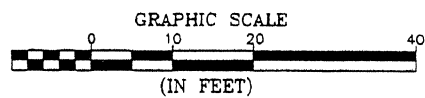
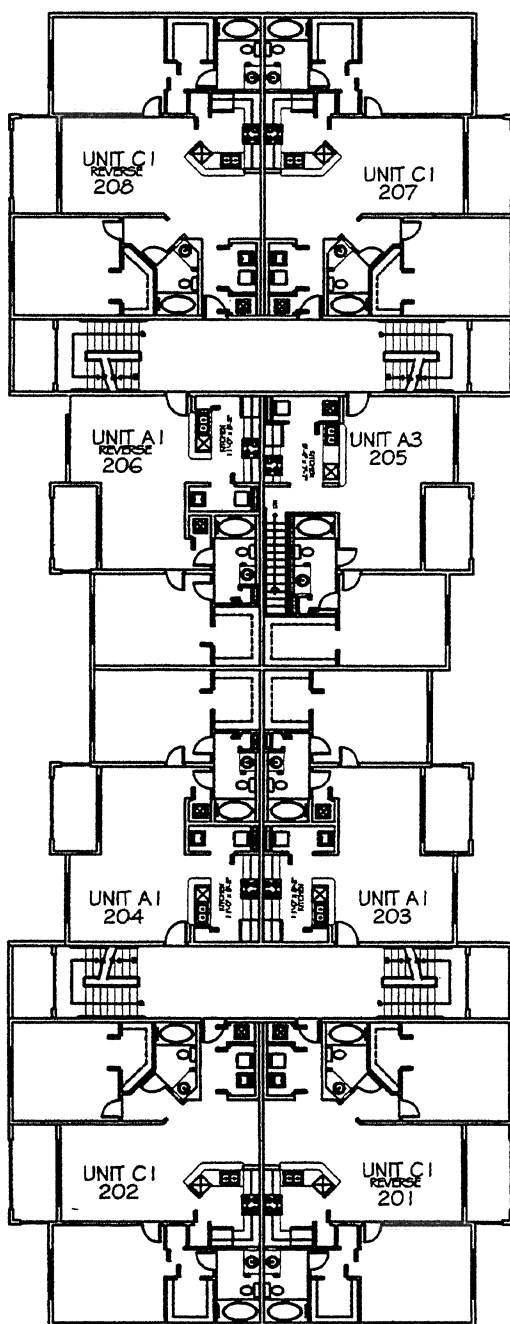
BUILDING # 7- 4200  
 TYPE 4  
 GROUND FLOOR

*Handwritten signature and date: 6/10/04*

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



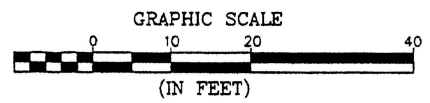
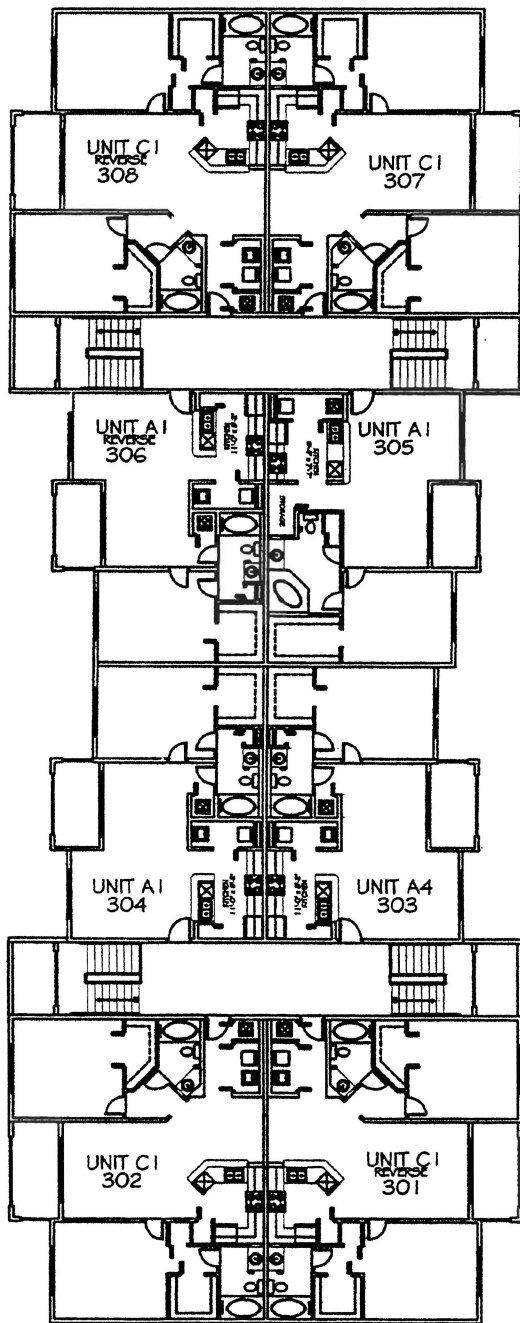
BUILDING # 7- 4200  
 TYPE 4  
 SECOND FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114      DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



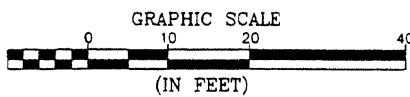
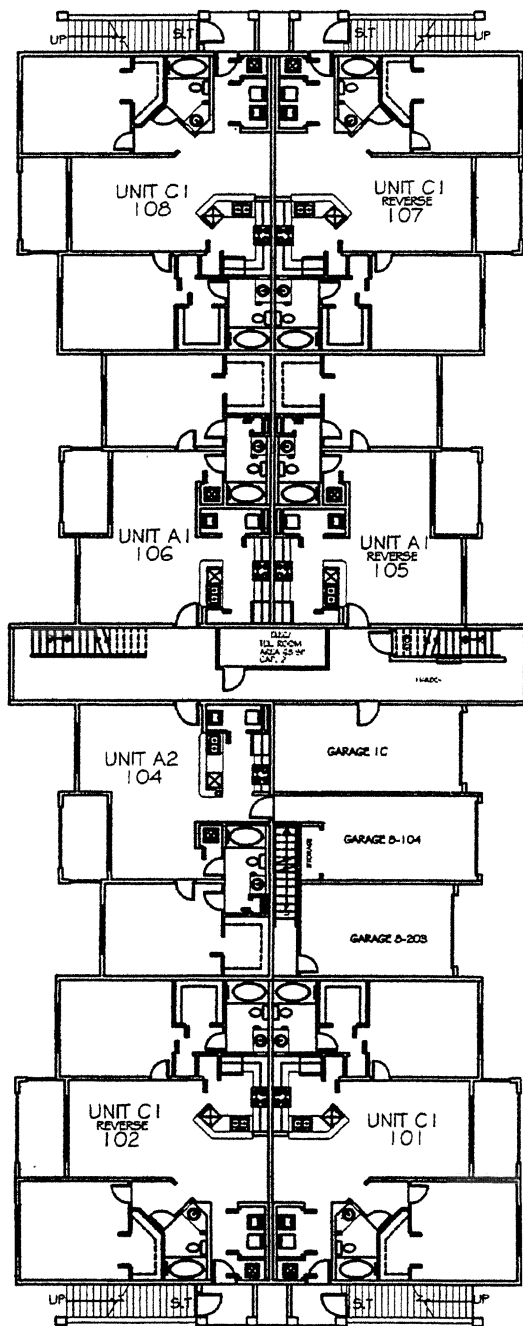


BUILDING # 7- 4200  
 TYPE 4  
 THIRD FLOOR

*[Handwritten signature]*  
 8/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114      DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



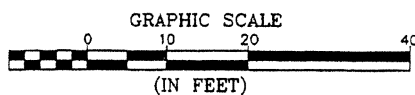
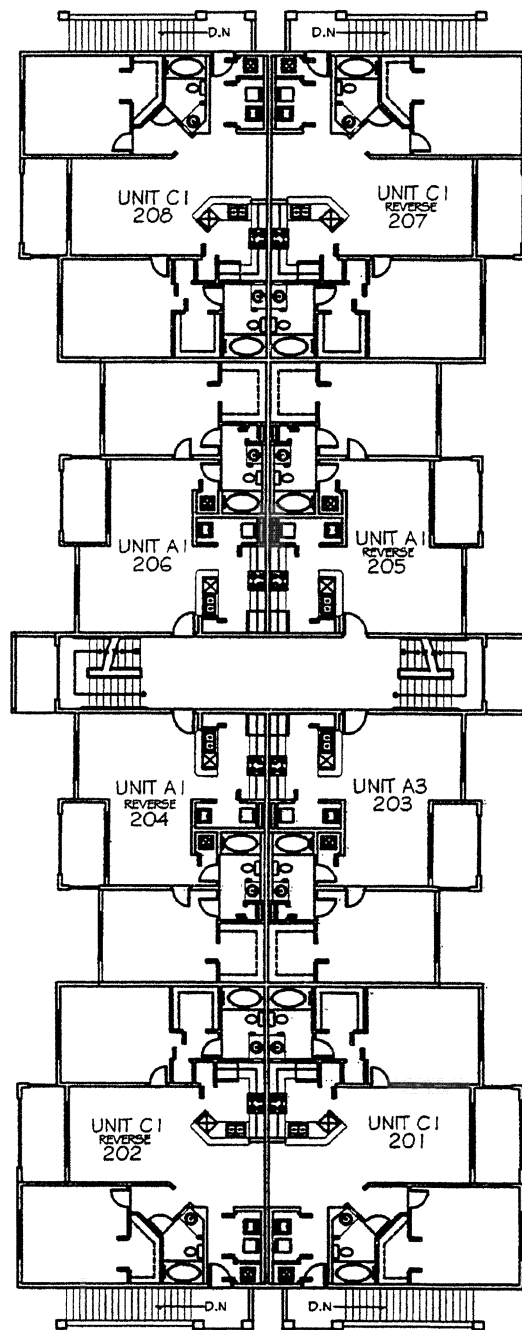
BUILDING # 8-4190  
 TYPE I  
 GROUND FLOOR

*[Handwritten signature]*  
 7/20/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

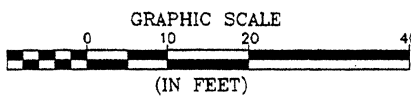
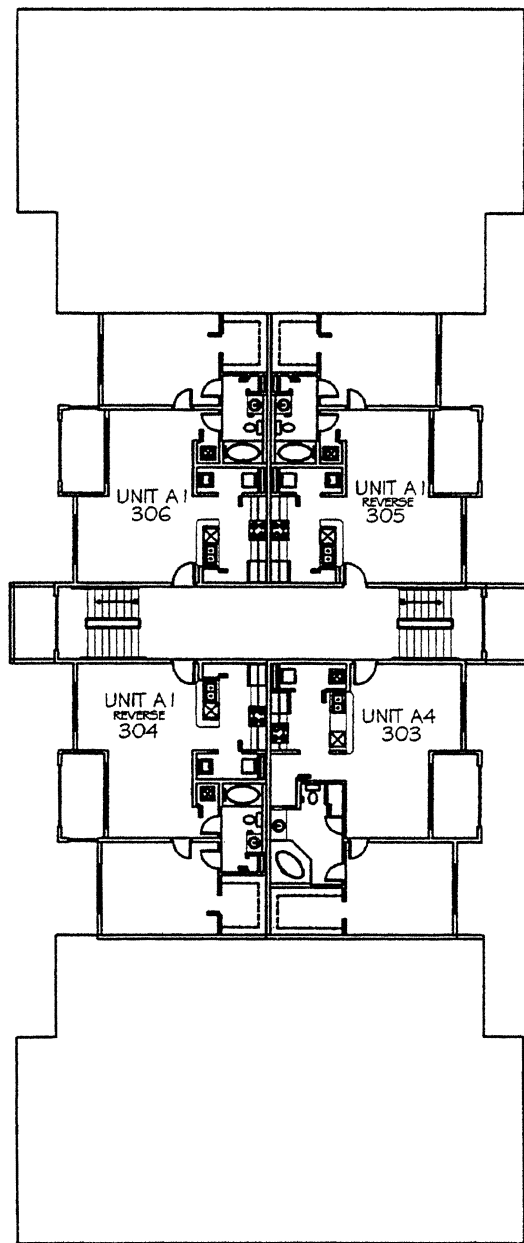


BUILDING # 8- 4190  
 TYPE I  
 SECOND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

DATE: JUNE , 2004



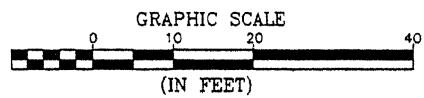
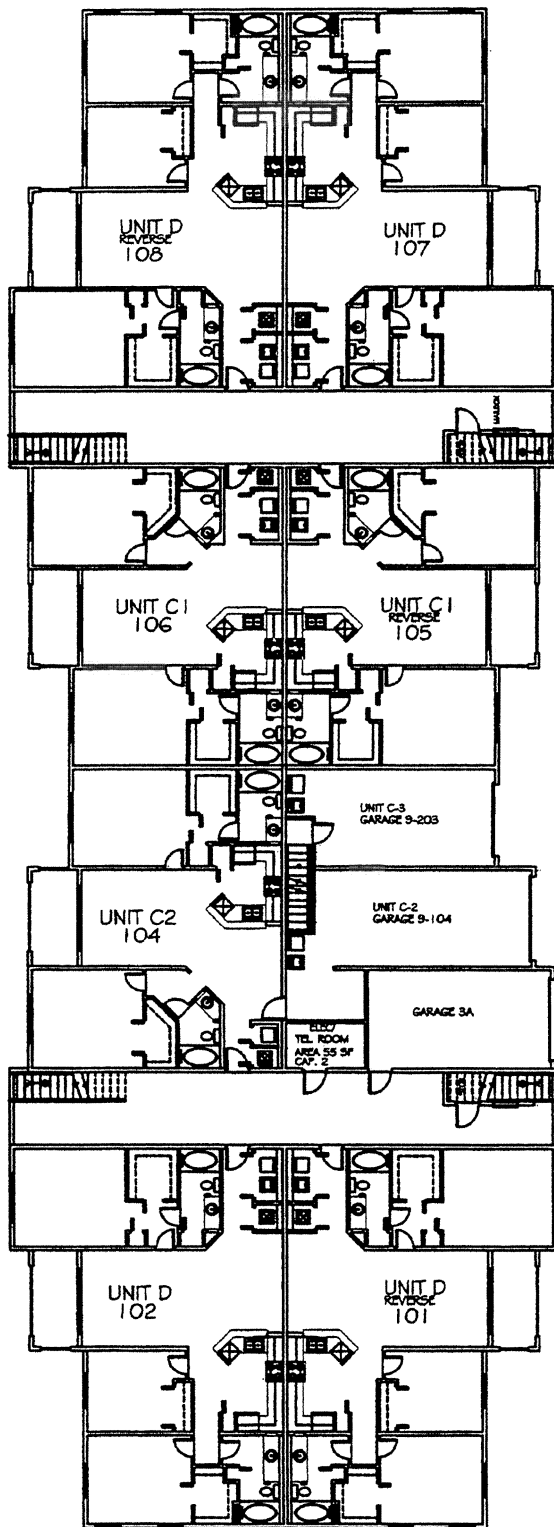
BUILDING # 8-4190  
 TYPE I  
 THIRD FLOOR

*[Handwritten signature]*  
 6/2/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

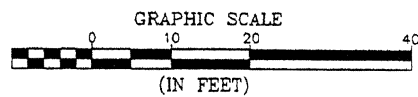
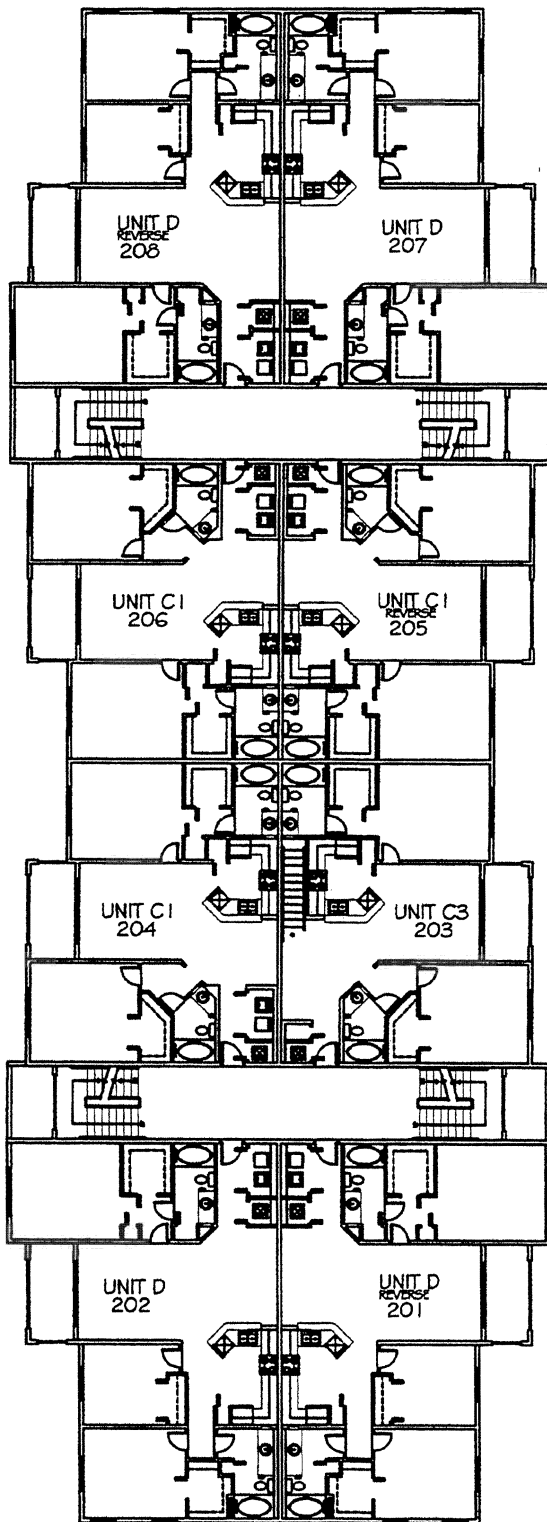


BUILDING # 9-4180  
 TYPE 3  
 GROUND FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114      DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



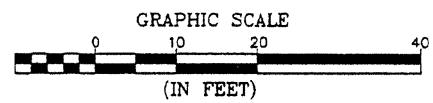
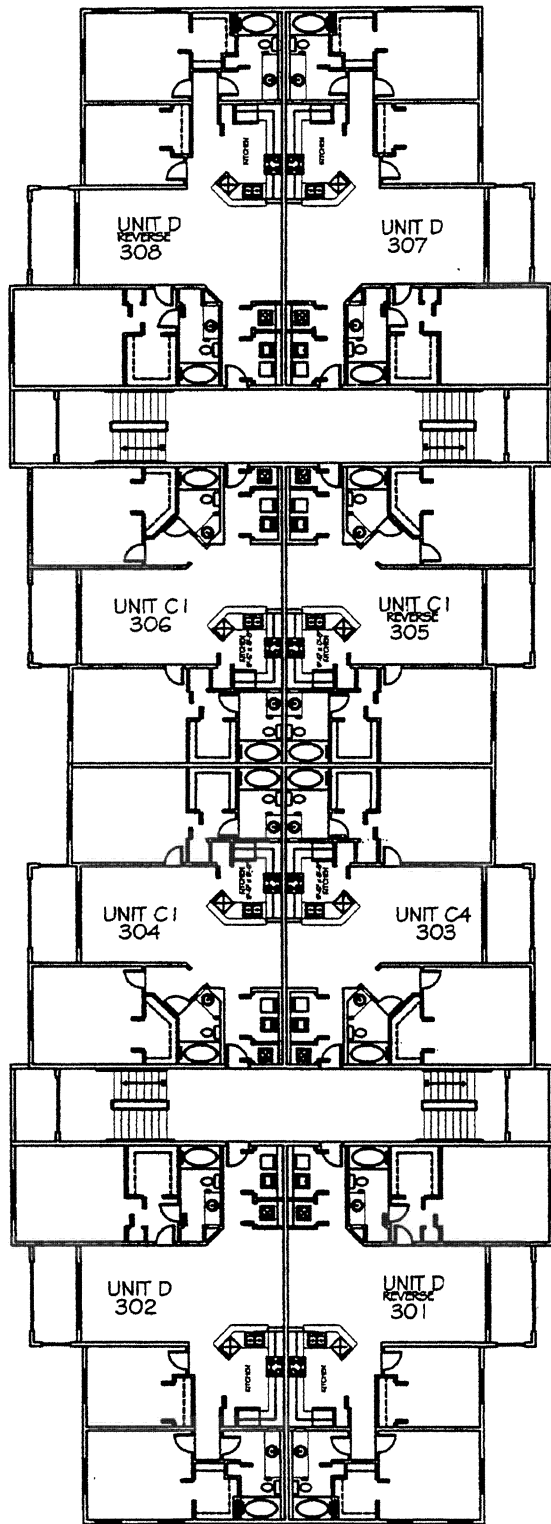
BUILDING # 9-4180  
TYPE 3  
SECOND FLOOR

*[Handwritten signature]*  
8-10-04

EDUARDO ALBERTO VAZQUEZ, RA  
4400 NW 79 AVE  
MIAMI, FLORIDA 33166  
TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
CONDOMINIUM  
4300 SAN MARINO BLV.  
WEST PALM BEACH, FL



BUILDING # 9-4180  
 TYPE 3  
 THIRD FLOOR

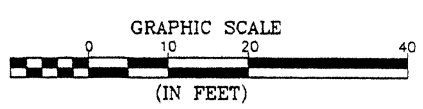
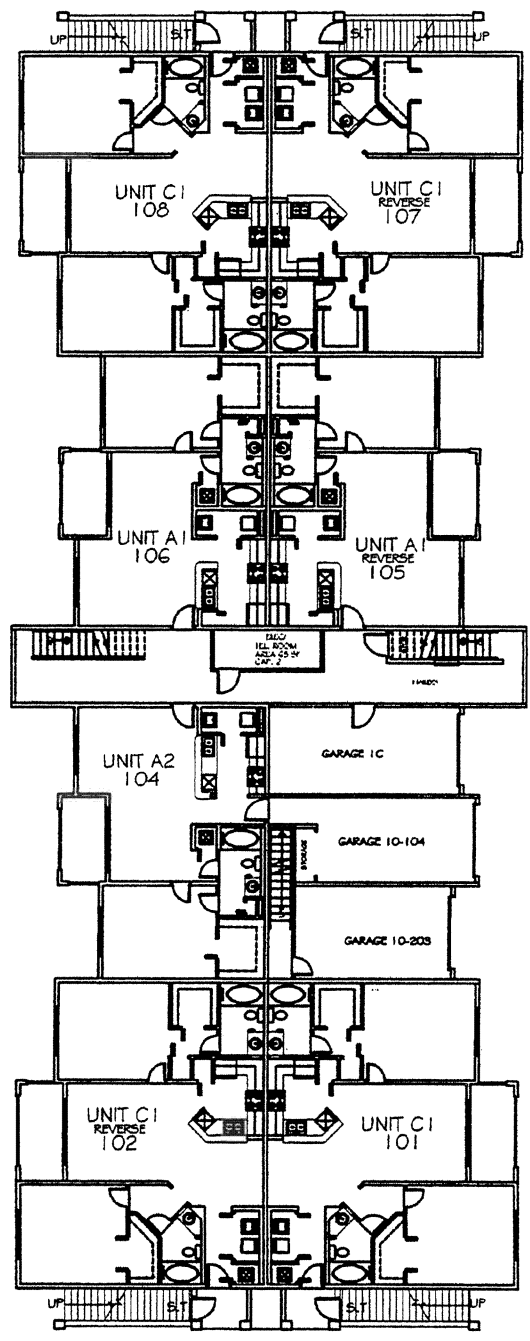
*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL





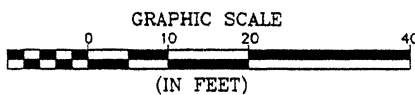
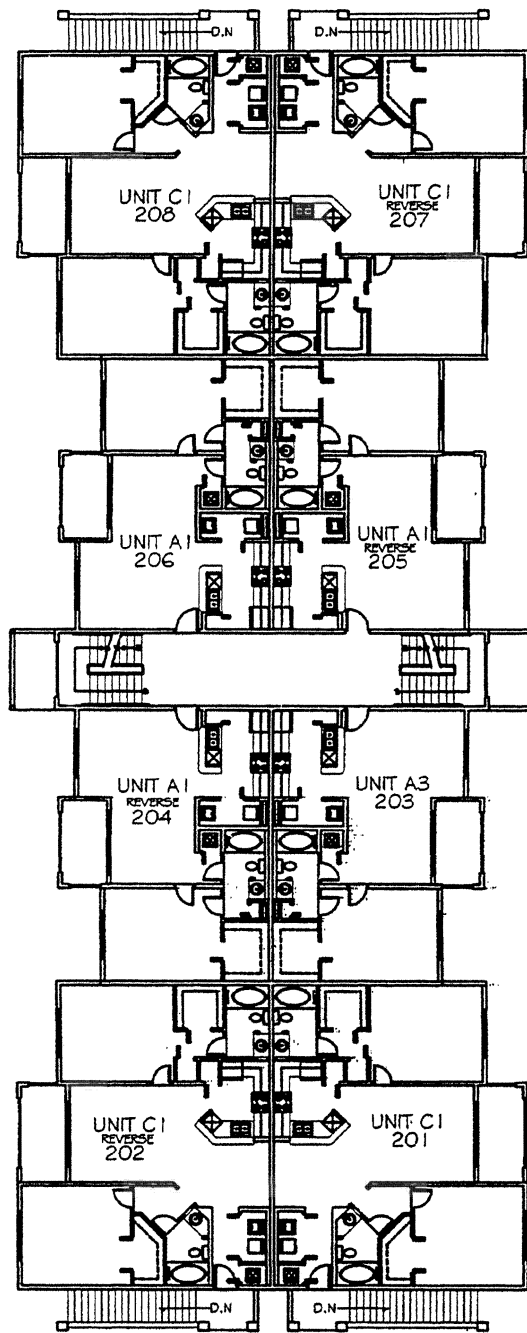
BUILDING # 10-4171  
 TYPE I  
 GROUND FLOOR

*[Handwritten signature]*  
 5/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



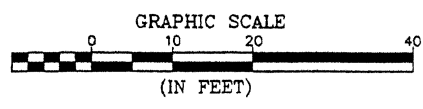
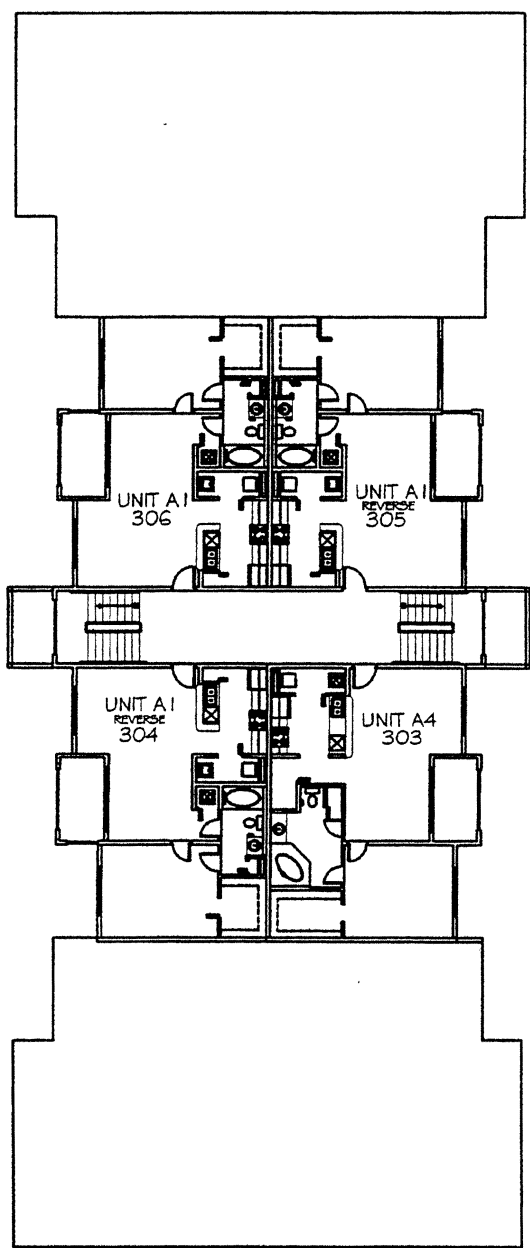
BUILDING # 10-4171  
 TYPE I  
 SECOND FLOOR

*[Handwritten signature]*  
 6/27/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



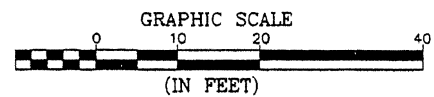
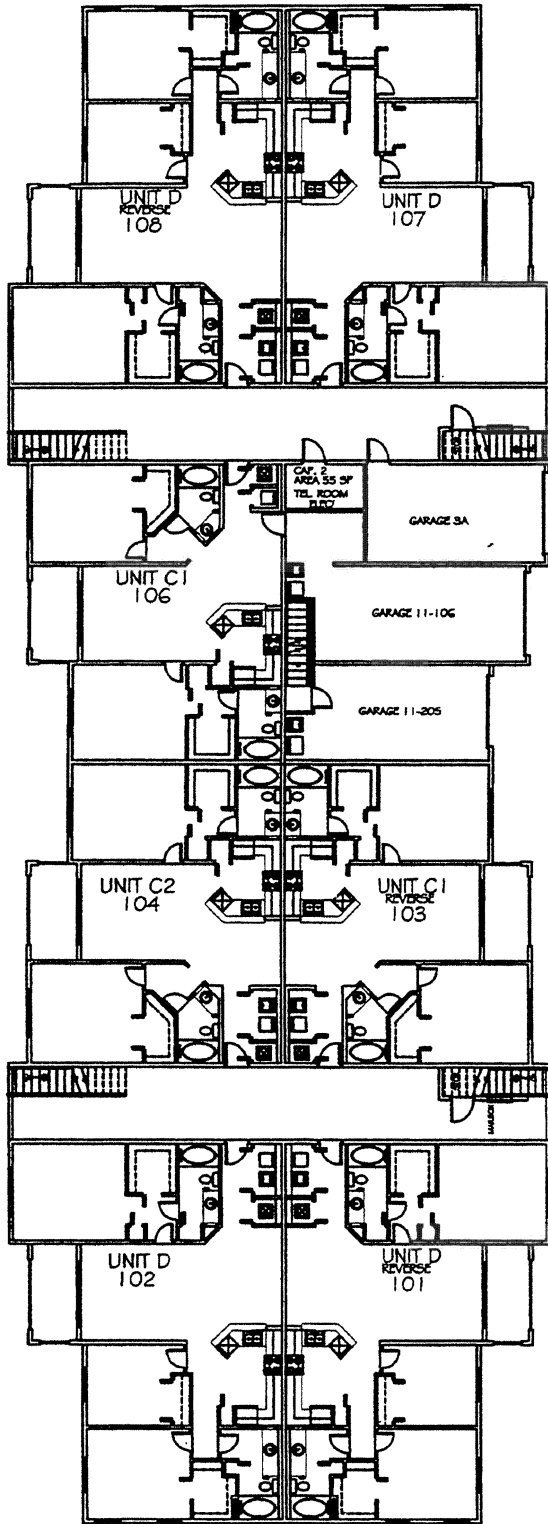
BUILDING # 10-4171  
 TYPE I  
 THIRD FLOOR

*[Handwritten signature]*  
 6/2/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

DATE: JUNE , 2004



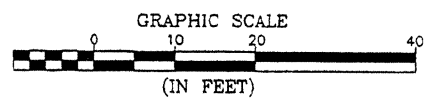
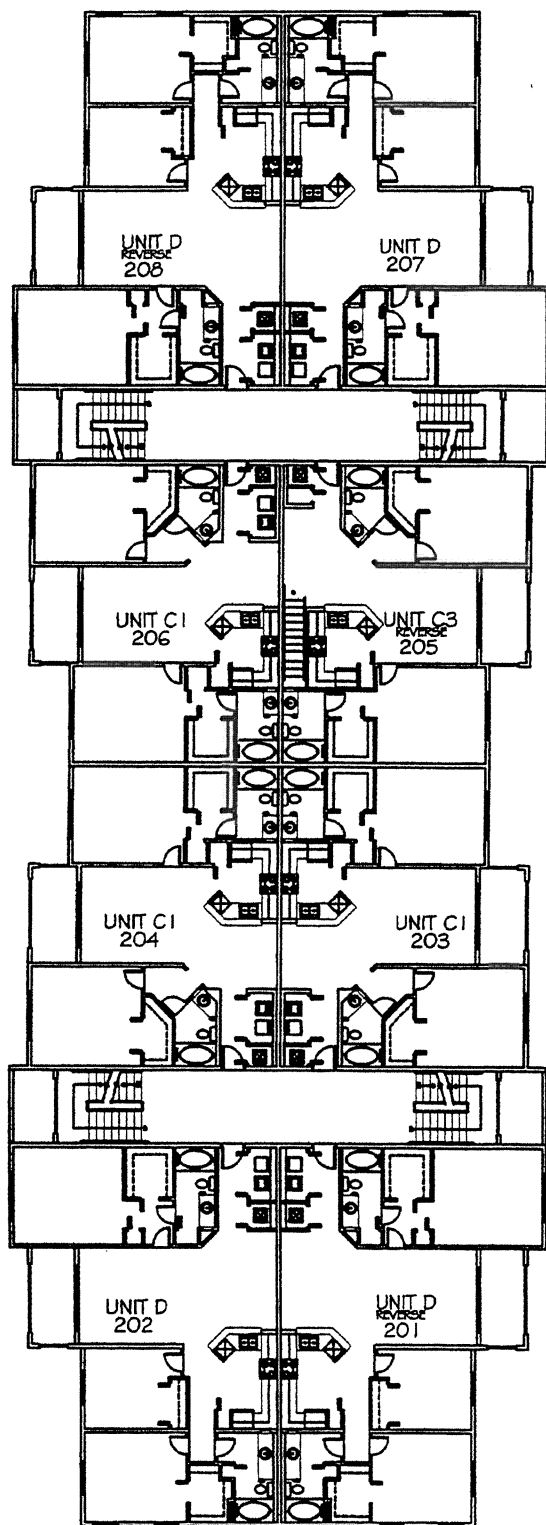
BUILDING # 11-4151  
 TYPE 3  
 GROUND FLOOR

*[Handwritten signature]*  
 03/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



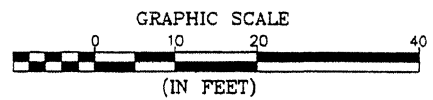
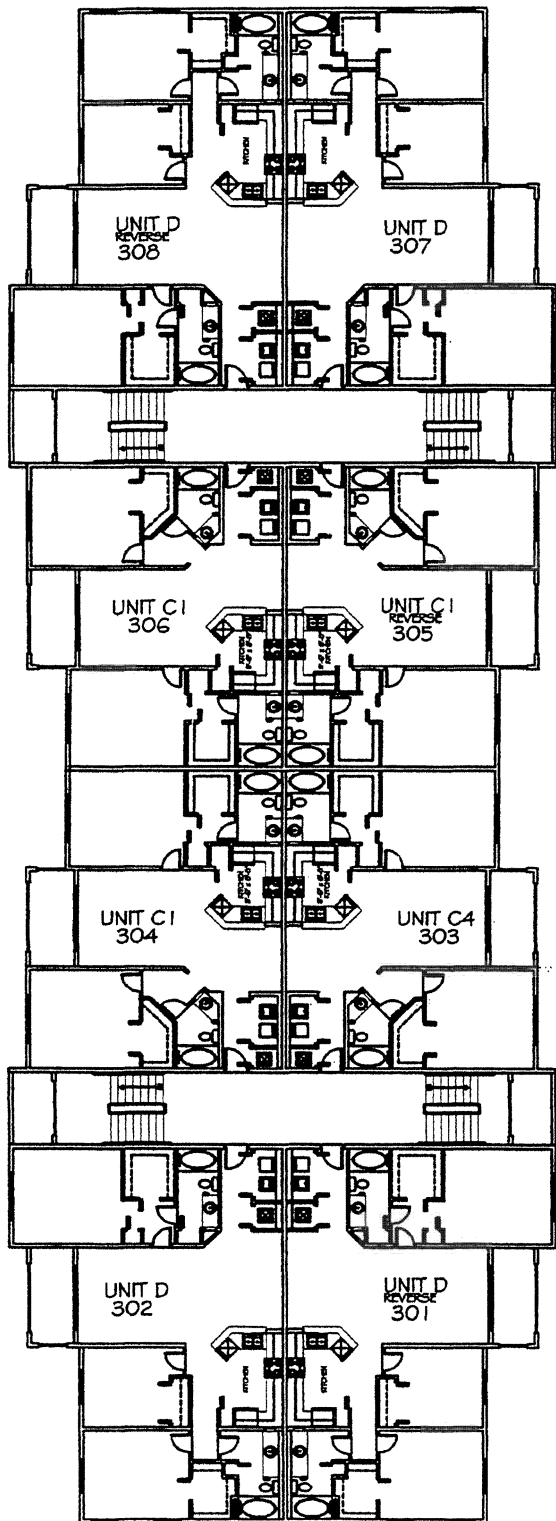
BUILDING # 11-4151  
 TYPE 3  
 SECOND FLOOR

*[Handwritten signature]*  
 8/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

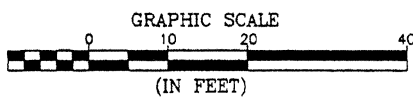
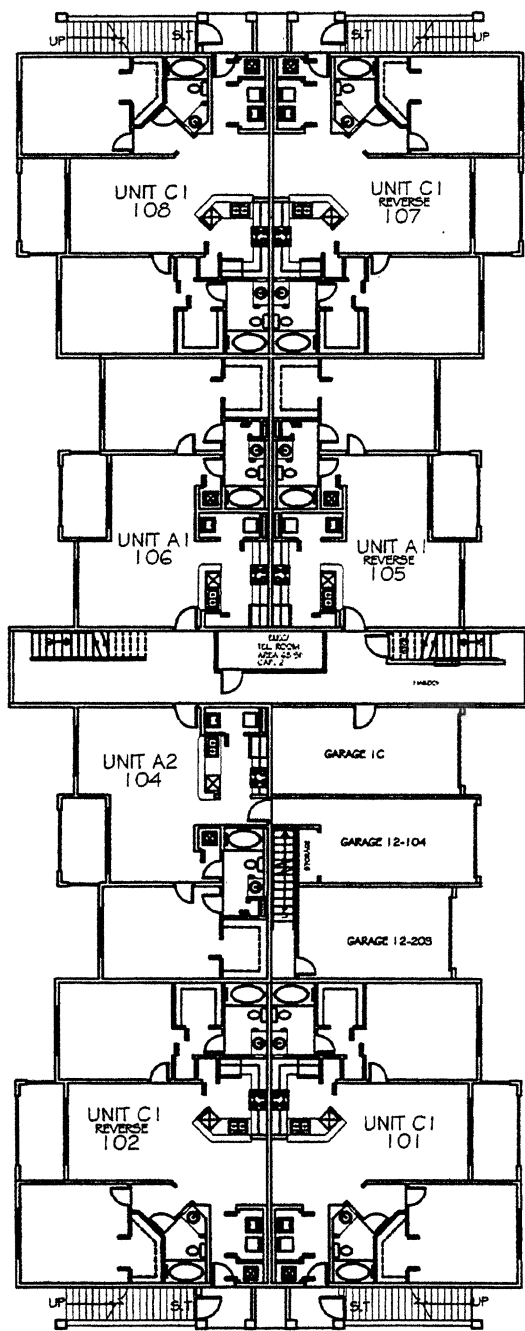


BUILDING # 11-4151  
 TYPE 3  
 THIRD FLOOR

*[Handwritten signature]*  
 11-01-04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114  
 DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

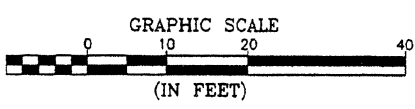
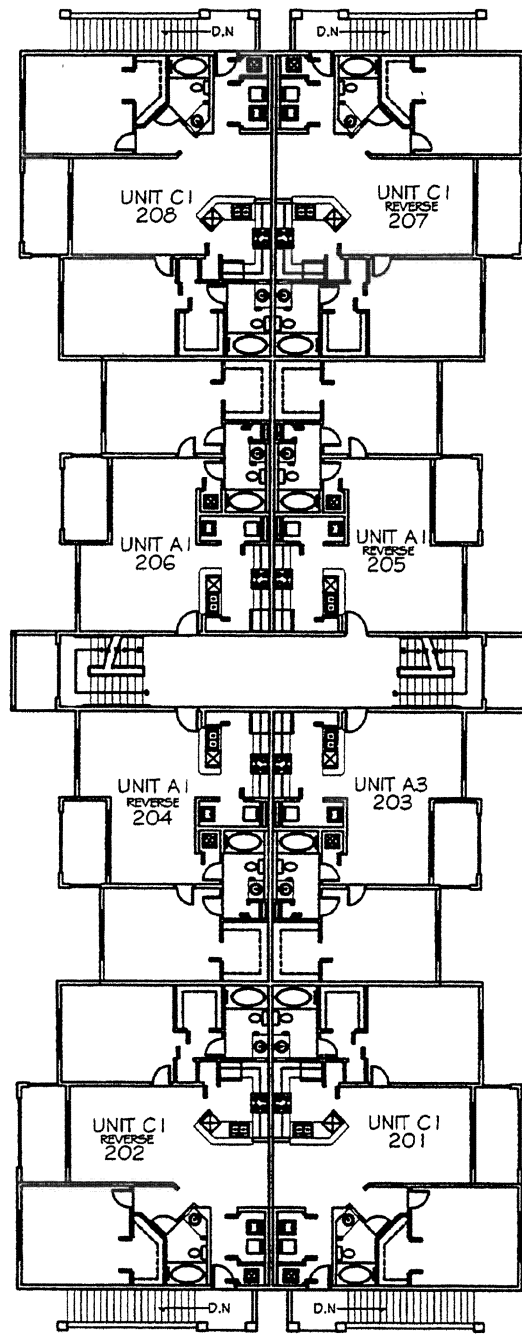


BUILDING # 12-4131  
 TYPE I  
 GROUND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



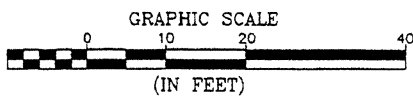
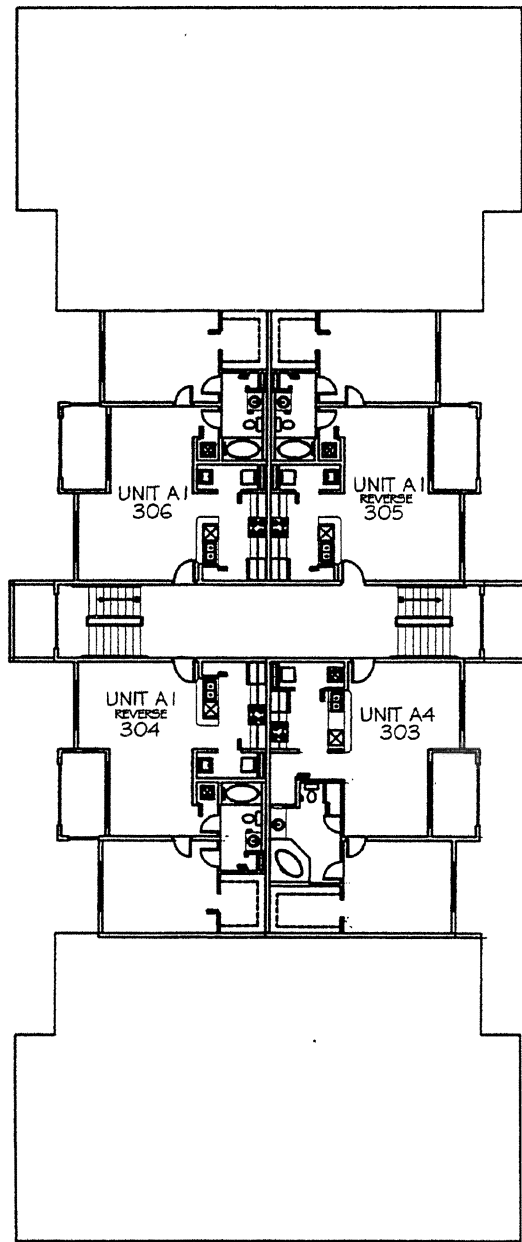
BUILDING # 12-4131  
 TYPE I  
 SECOND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



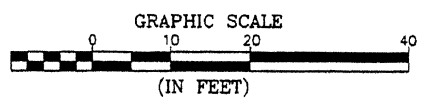
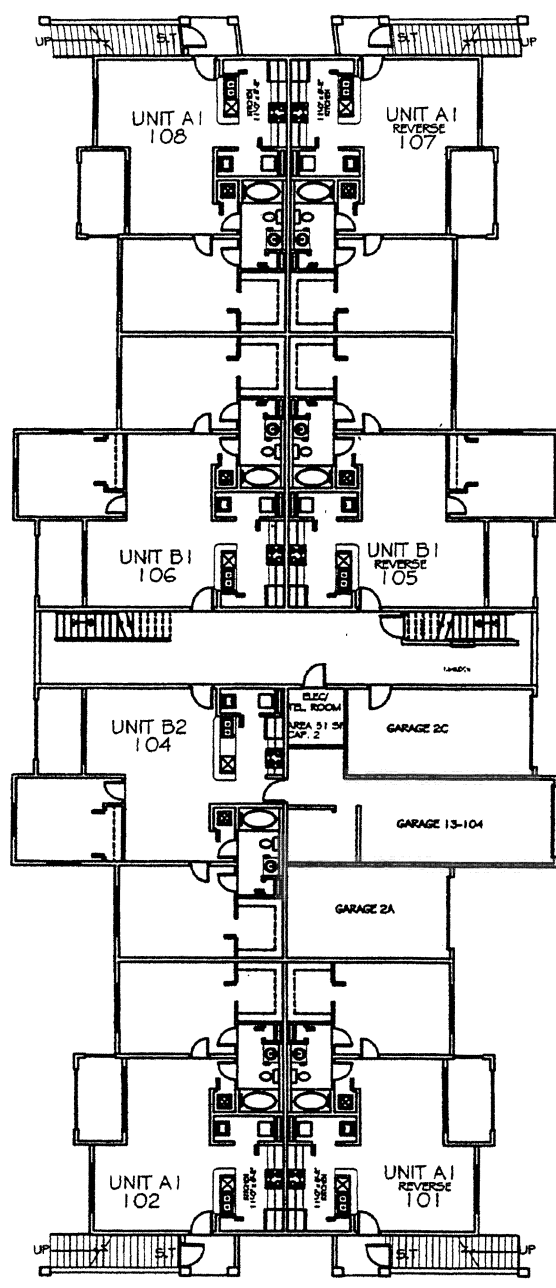


BUILDING # 12-4131  
 TYPE I  
 THIRD FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79<sup>th</sup> AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

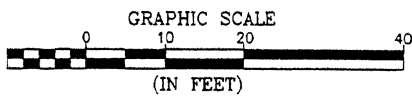
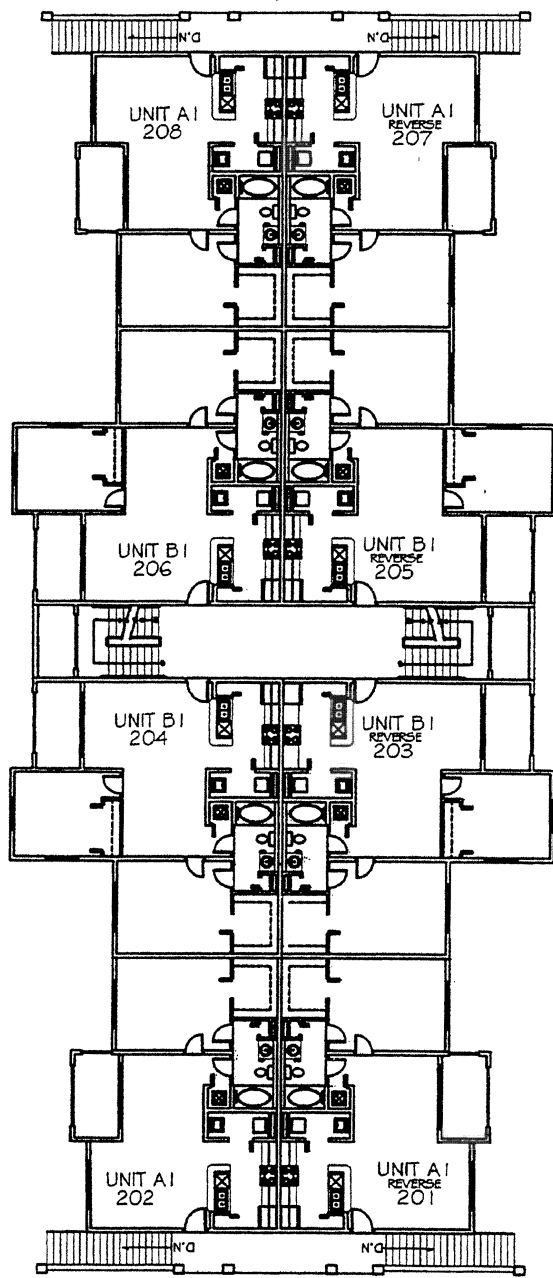


BUILDING # 13- 4115  
 TYPE 2  
 GROUND FLOOR

*[Handwritten signature]*  
 6/2/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114      DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



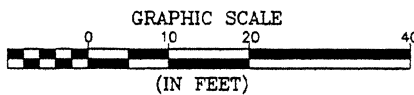
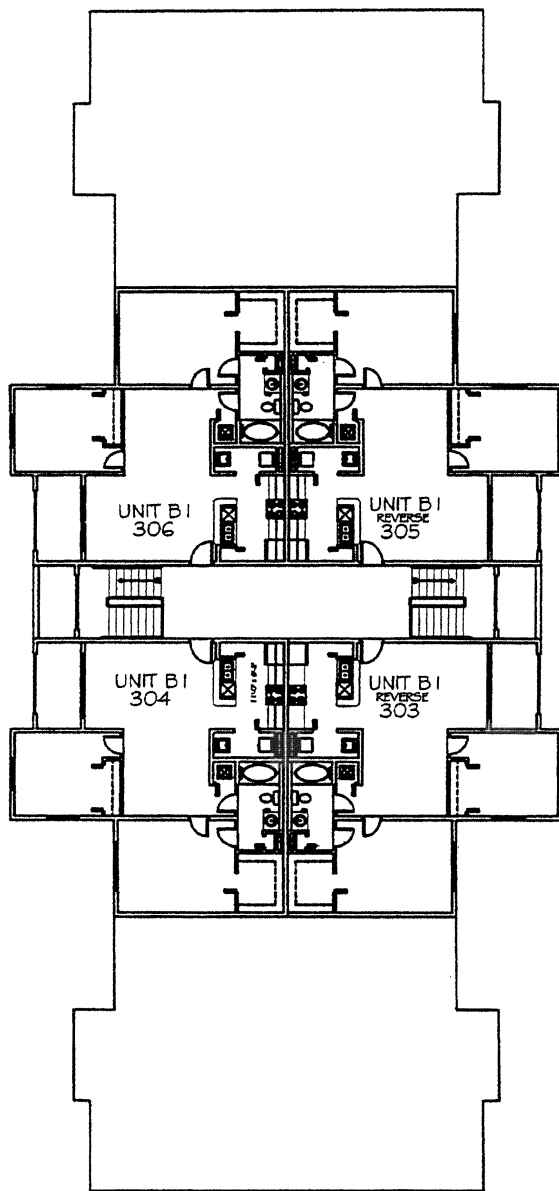
BUILDING # 13-4115  
 TYPE 2  
 SECOND FLOOR

*[Handwritten signature]*  
 6-10-04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

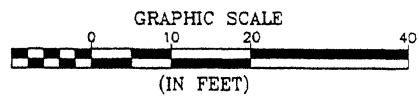
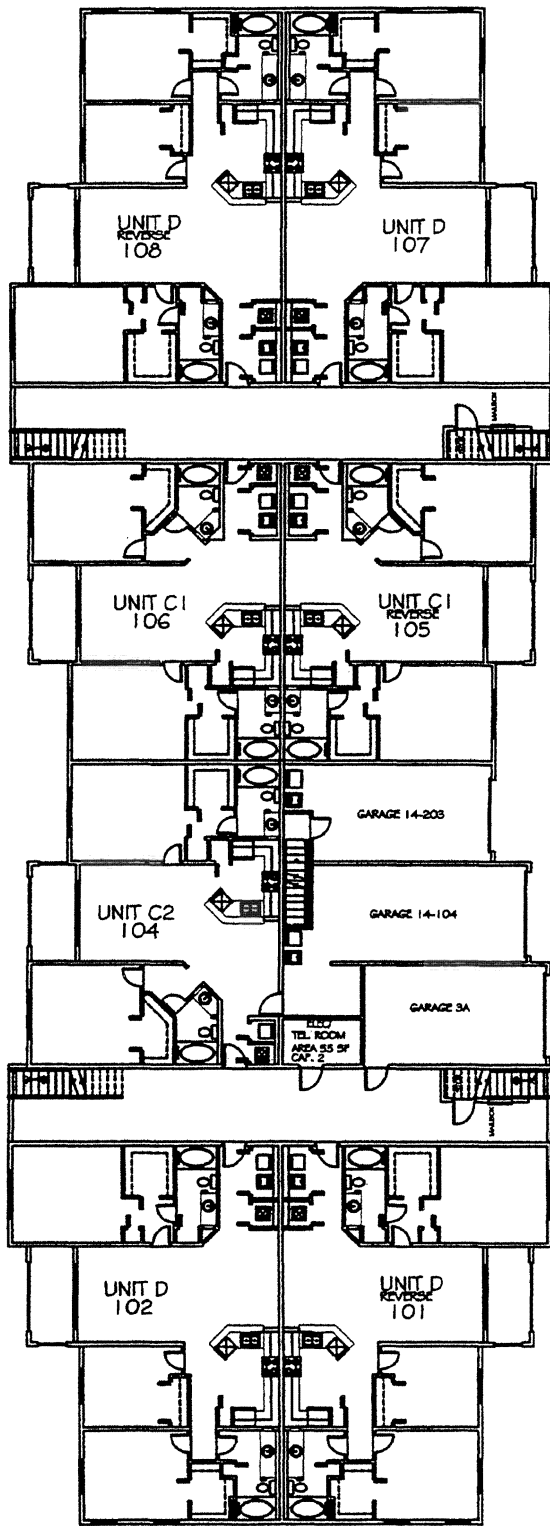


BUILDING # 13-4115  
 TYPE 2  
 THIRD FLOOR

*[Handwritten signature]*  
 07/01/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114      DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



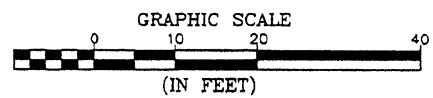
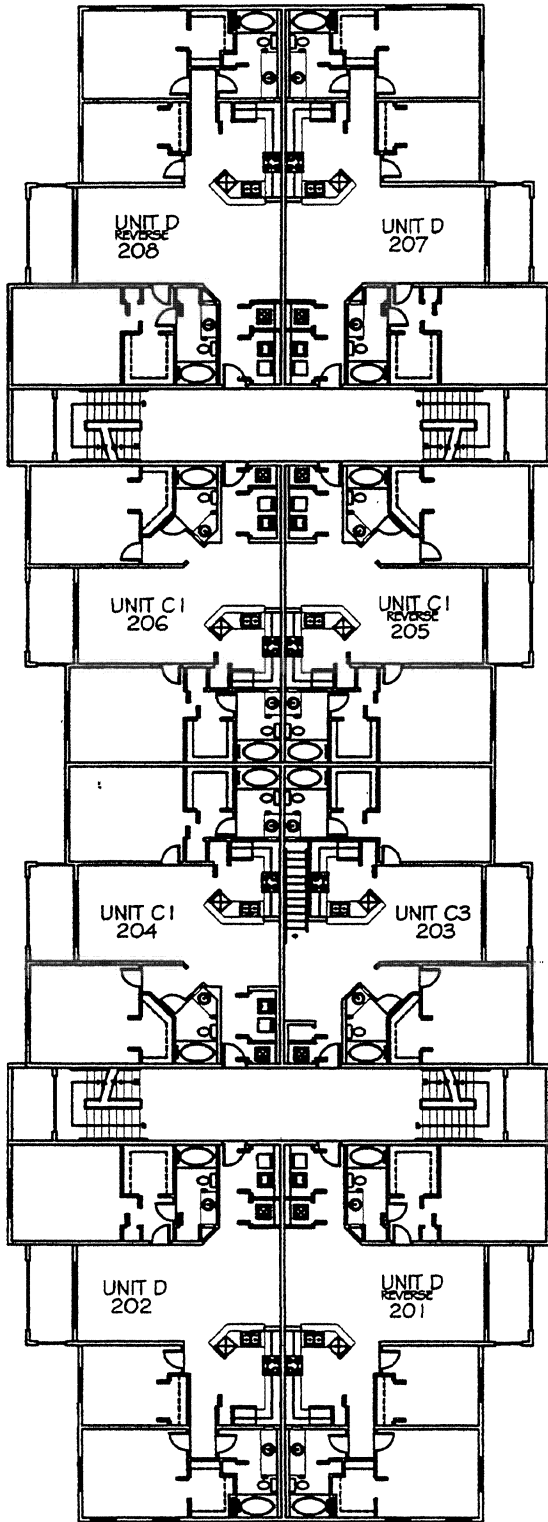
BUILDING # 14-4101  
 TYPE 3  
 GROUND FLOOR

*Handwritten signature*

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



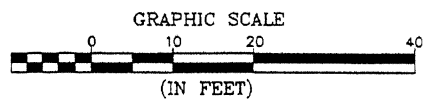
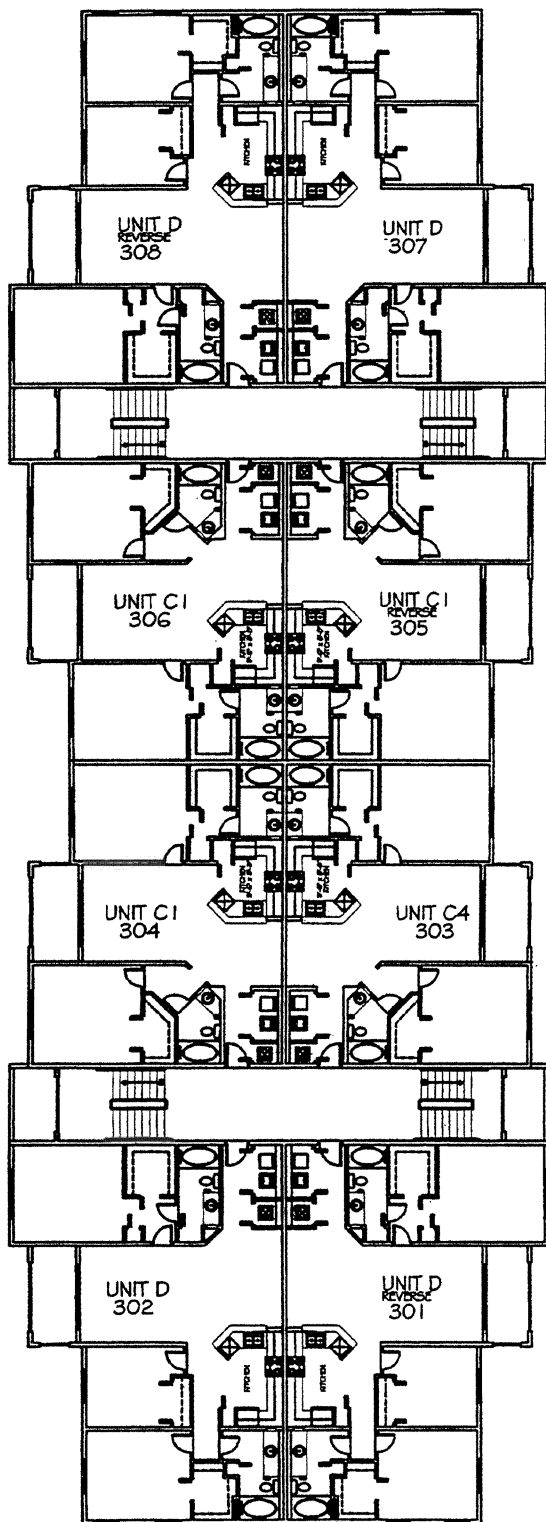
BUILDING # 14-4101  
 TYPE 3  
 SECOND FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



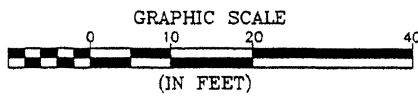
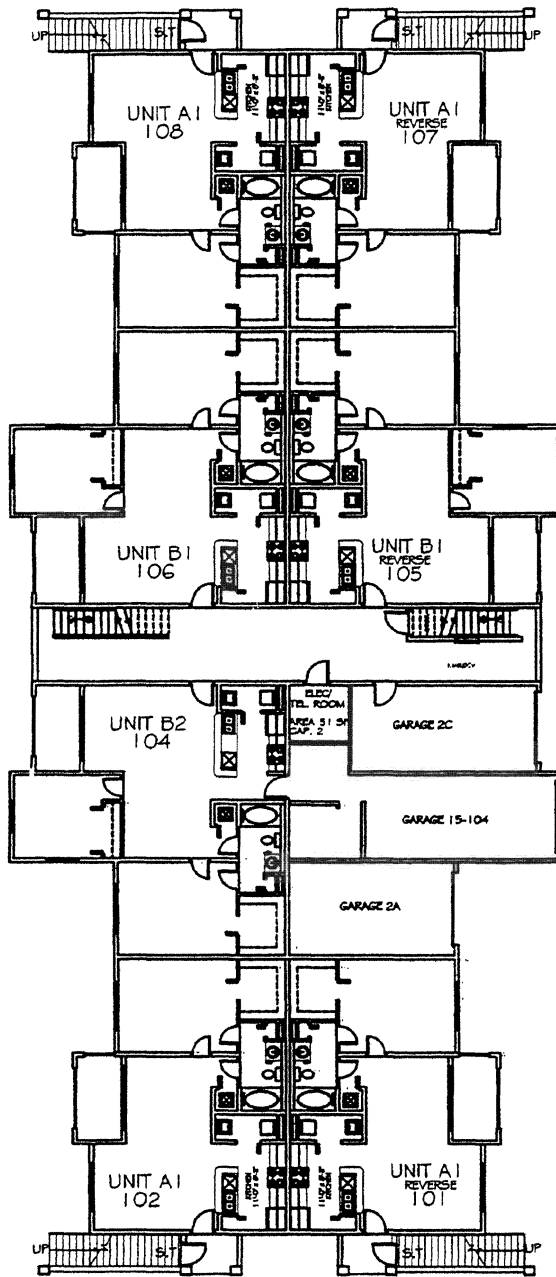
BUILDING # 14-4101  
 TYPE 3  
 THIRD FLOOR

*[Handwritten signature]*  
 8/15/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



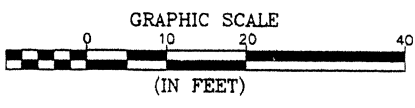
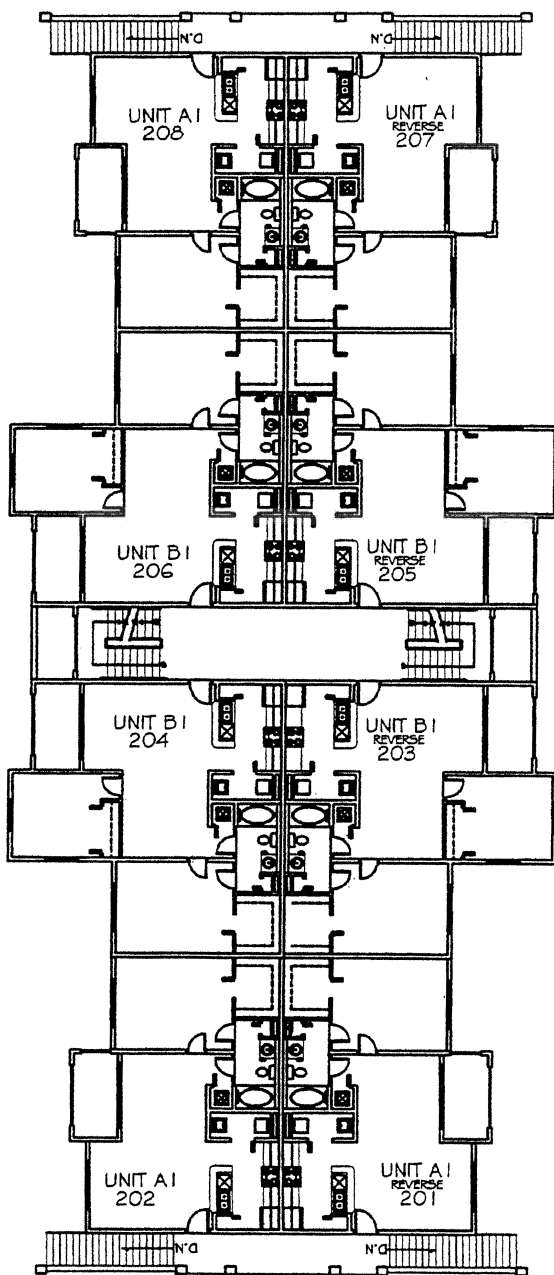
BUILDING # 15- 4081  
 TYPE 2  
 GROUND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE , 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



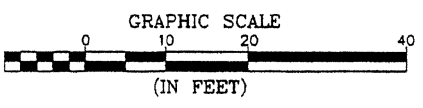
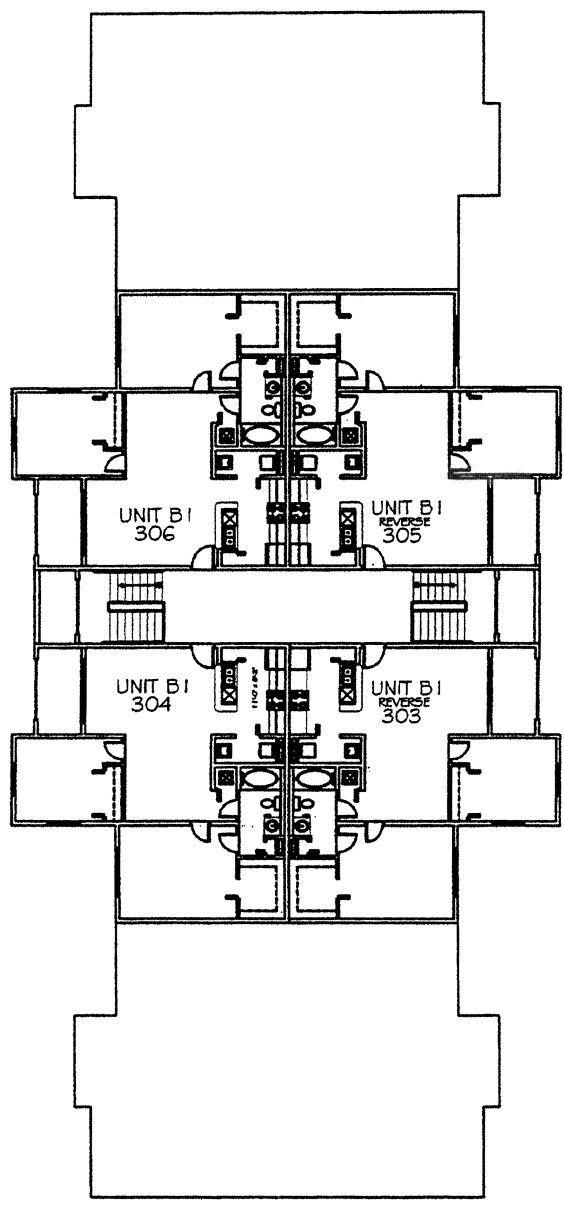


BUILDING # 15- 4081  
 TYPE 2  
 SECOND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

DATE: JUNE , 2004



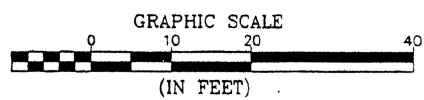
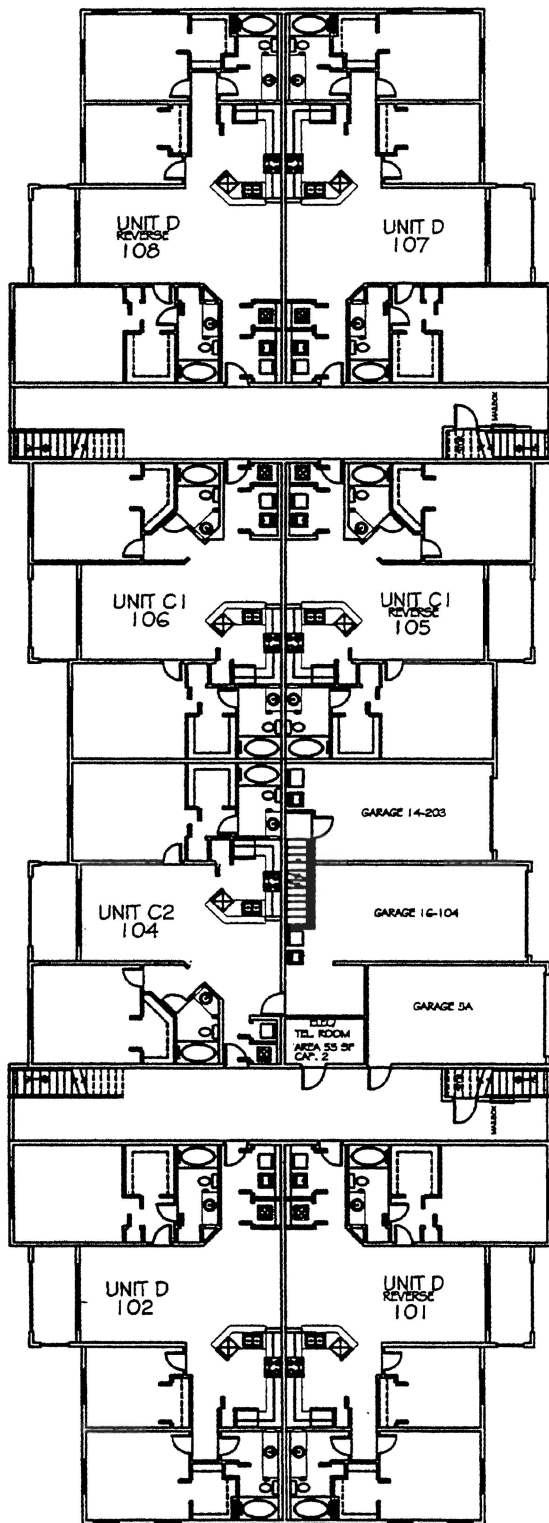
BUILDING # 15-4081  
 TYPE 2  
 THIRD FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

DATE: JUNE , 2004

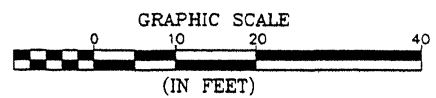
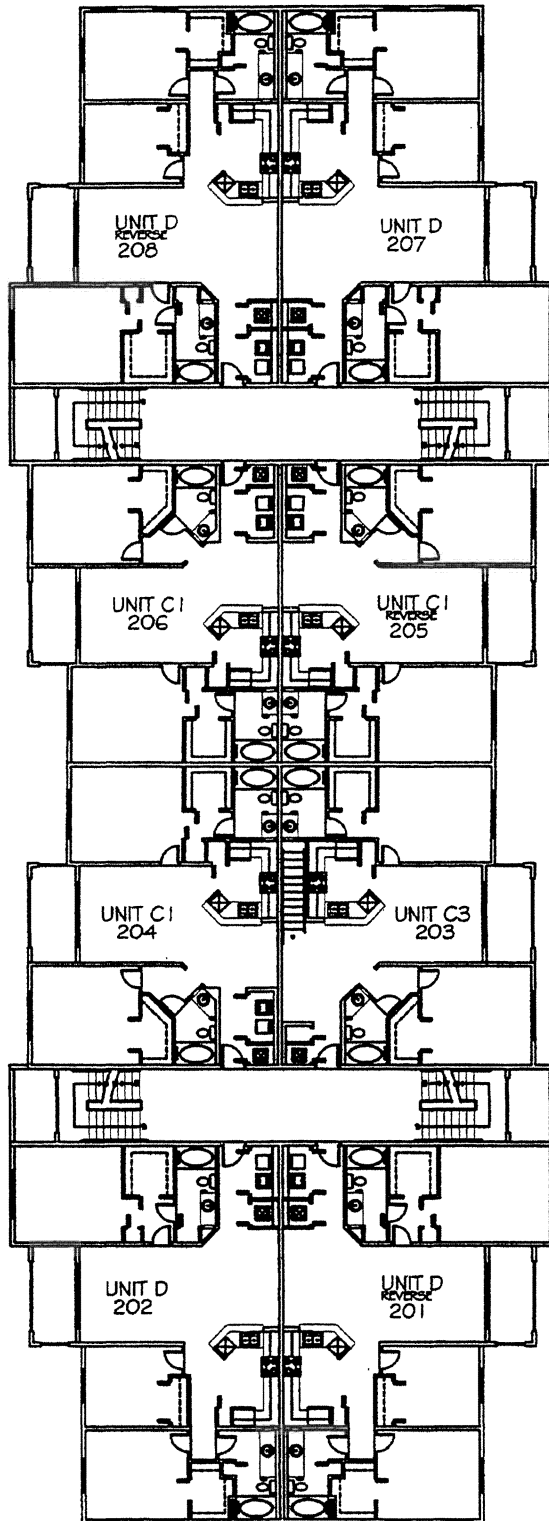


BUILDING # 16-4041  
 TYPE 3  
 GROUND FLOOR

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



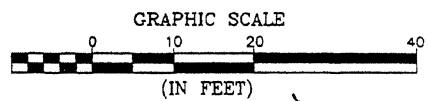
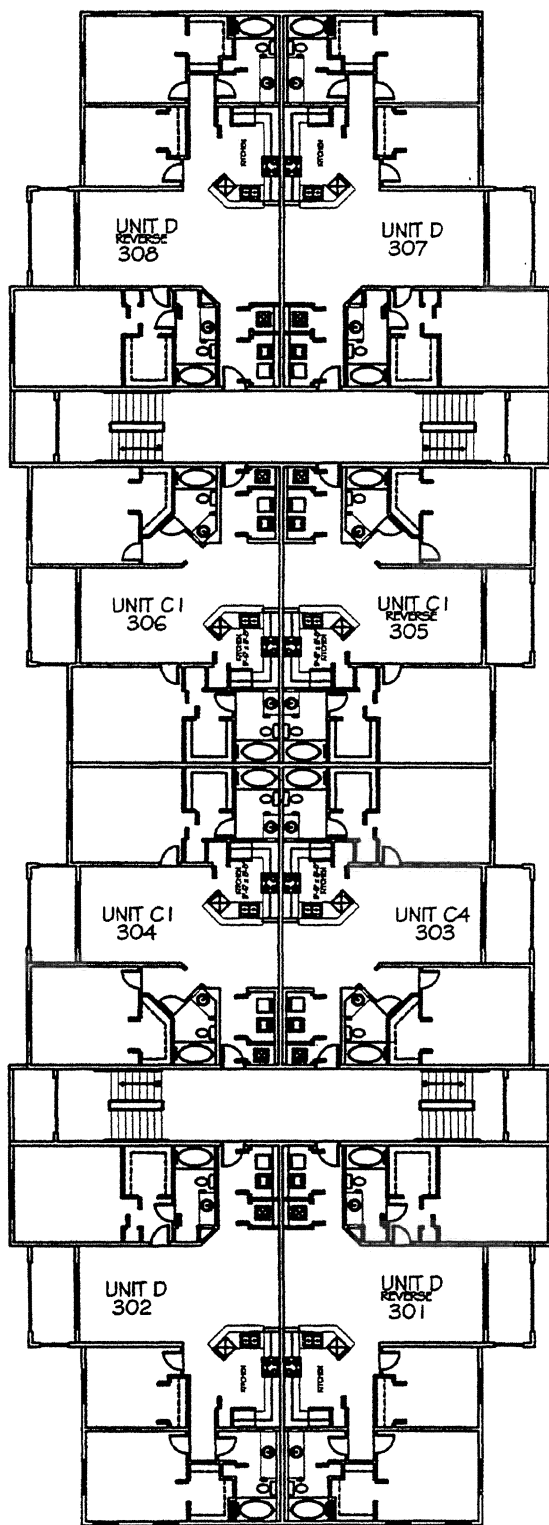
BUILDING # 16-4041  
 TYPE 3  
 SECOND FLOOR

*[Handwritten signature]*  
 6/18/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



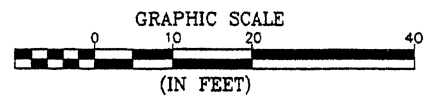
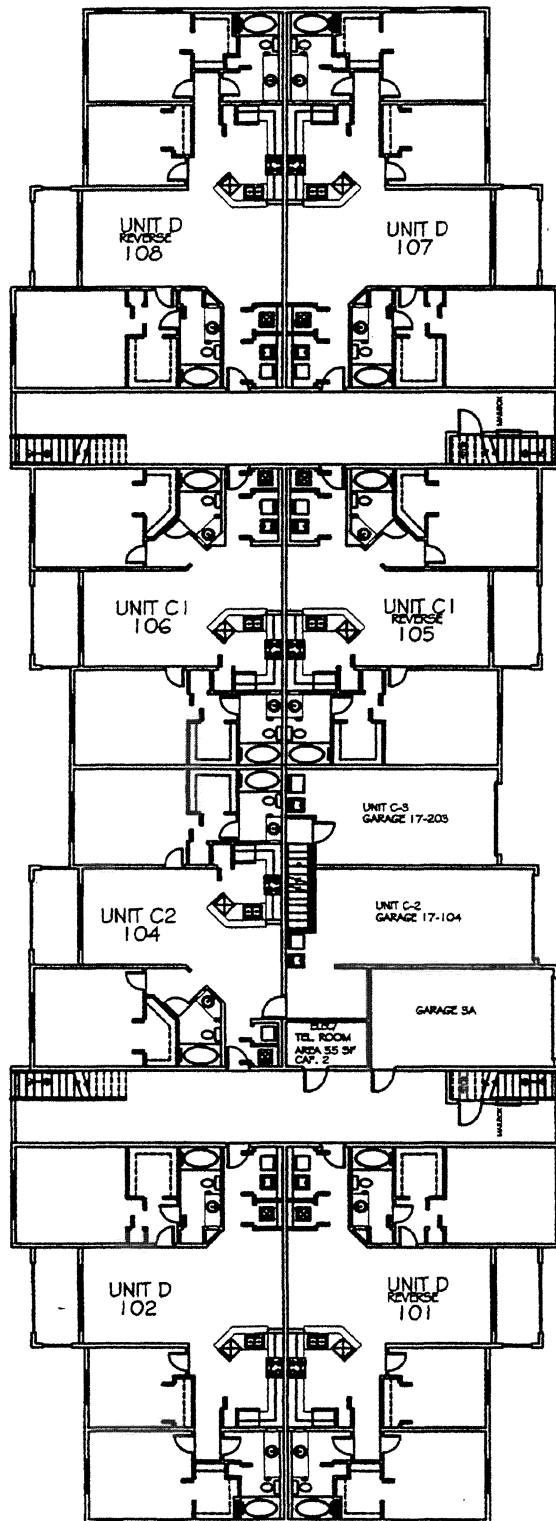
BUILDING # 16-4041  
 TYPE 3  
 THIRD FLOOR

*Handwritten signature and initials*  
 RA 01/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

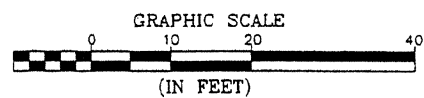
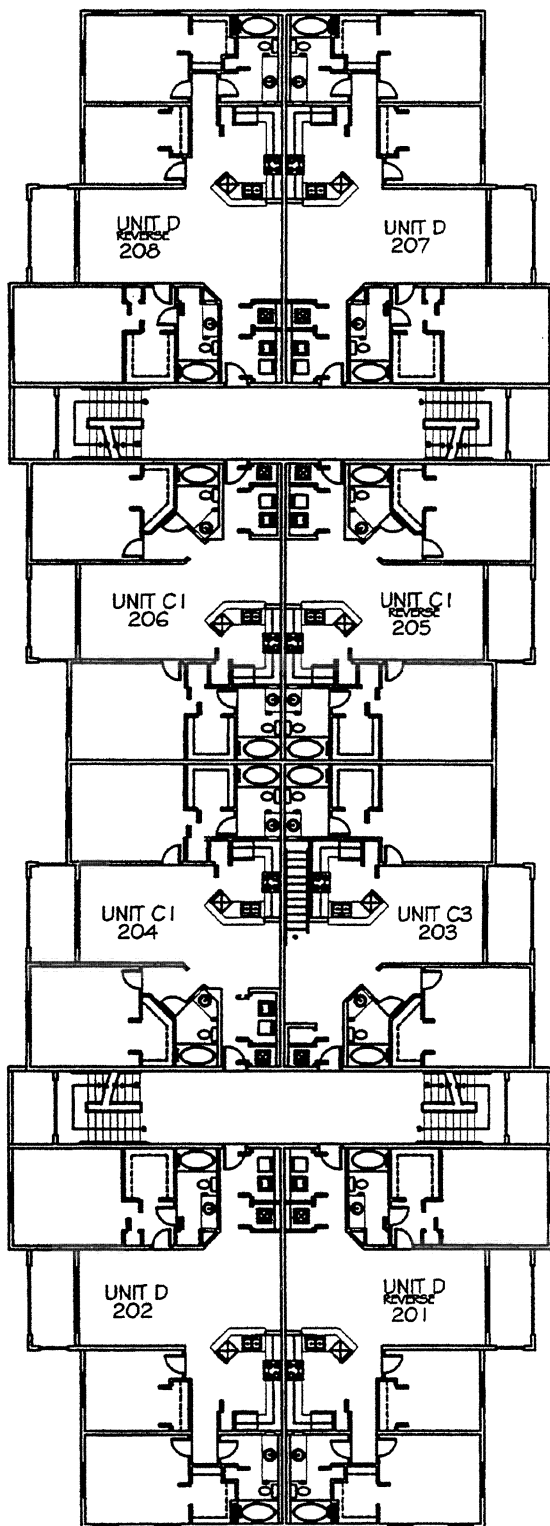


BUILDING # 17-4021  
 TYPE 3  
 GROUND FLOOR

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114      DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



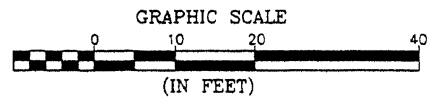
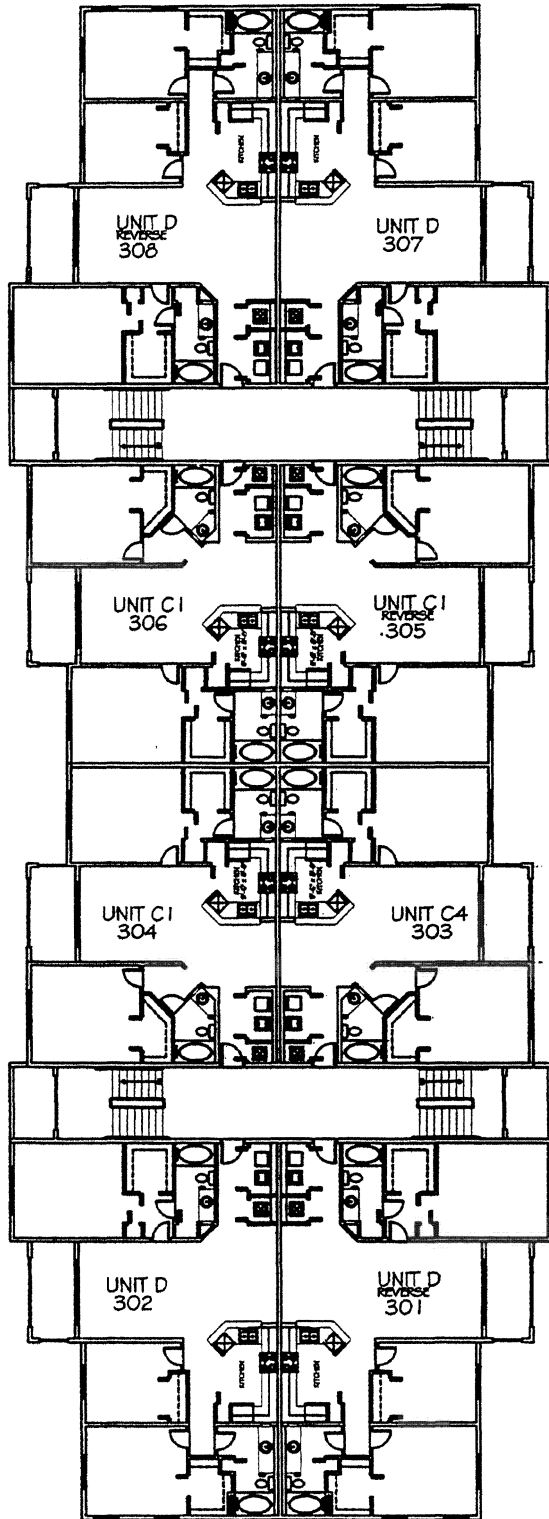
BUILDING # 17-4021  
 TYPE 3  
 SECOND FLOOR

*Handwritten signature and date: E. Vazquez 6/10/04*

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



BUILDING # 17-4021  
 TYPE 3  
 THIRD FLOOR

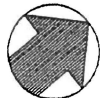
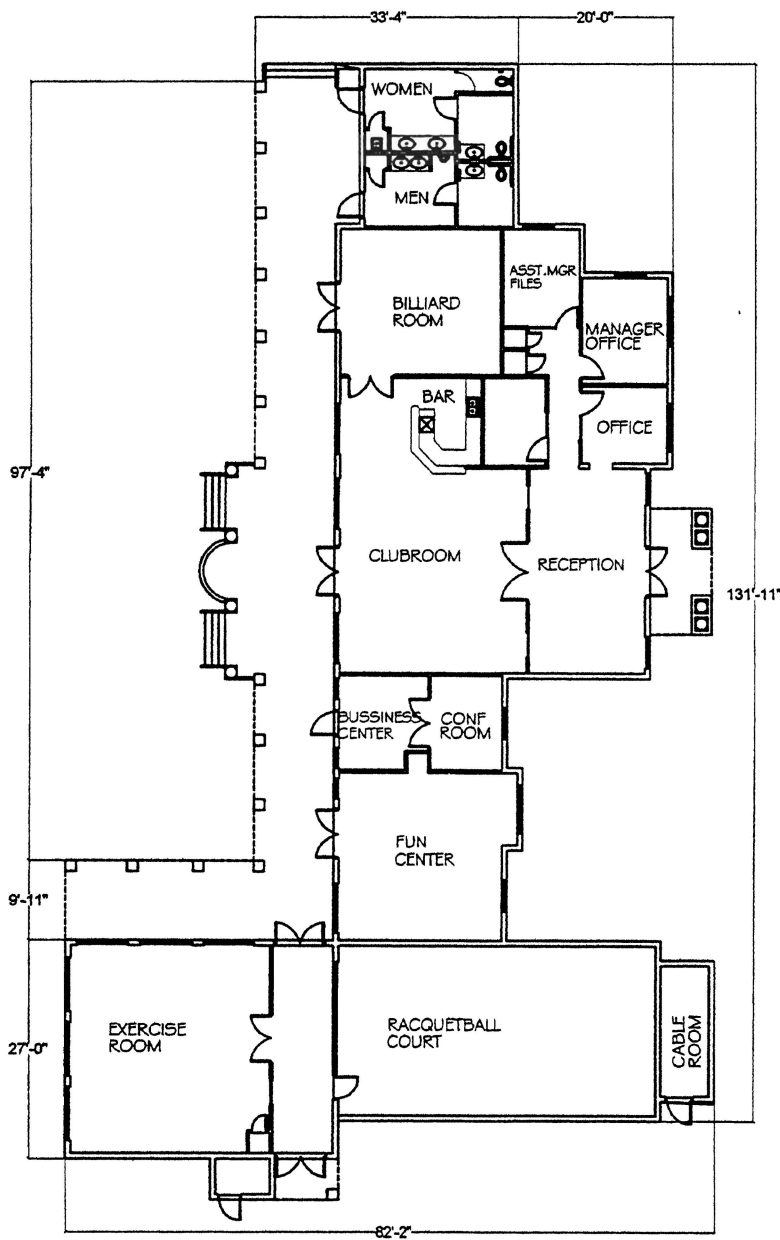
*[Handwritten signature]*  
 5/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

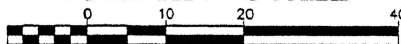
DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL





GRAPHIC SCALE



(IN FEET)

CLUB HOUSE

5480 sf Capacity 45

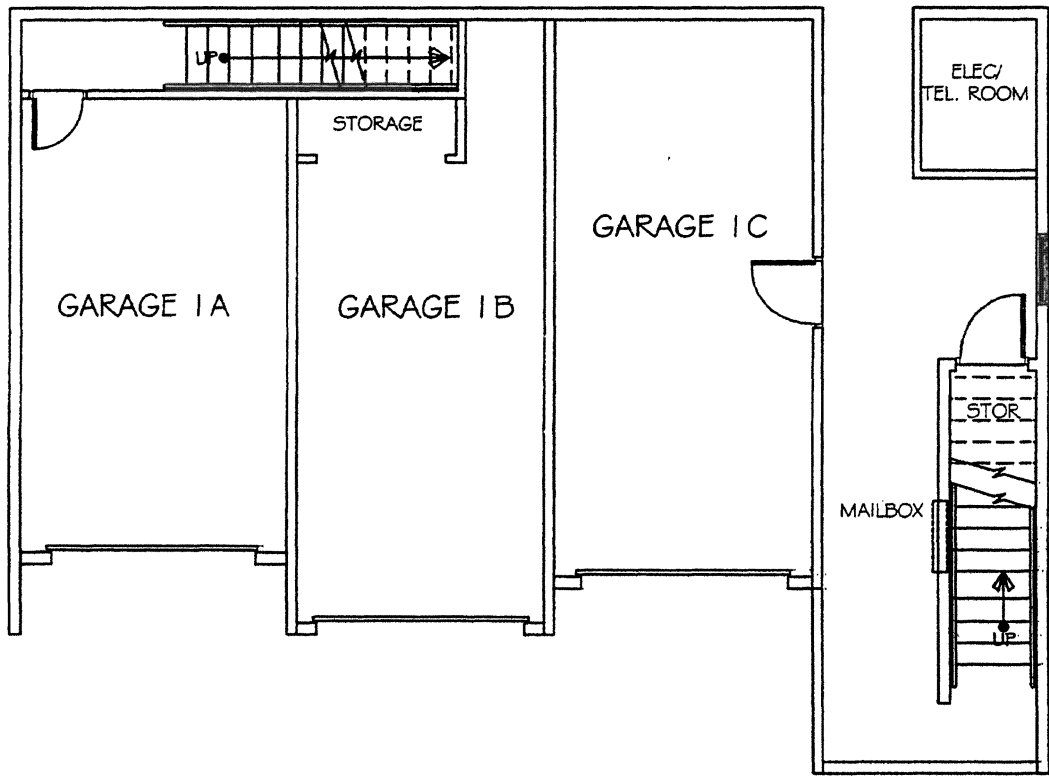
EDUARDO ALBERTO VAZQUEZ, RA

4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE

CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



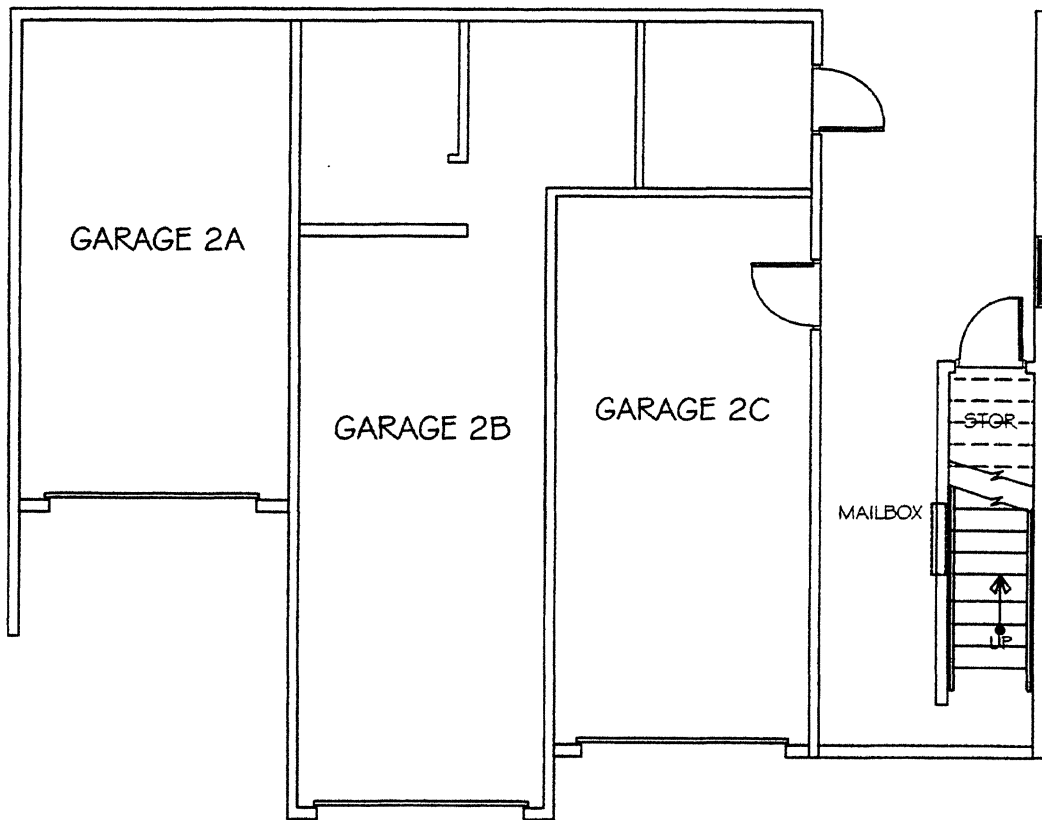
GARAGE TYPE I  
 SCALE  $\frac{1}{8} = 1'-0$

*[Handwritten signature]*  
 6-10-04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



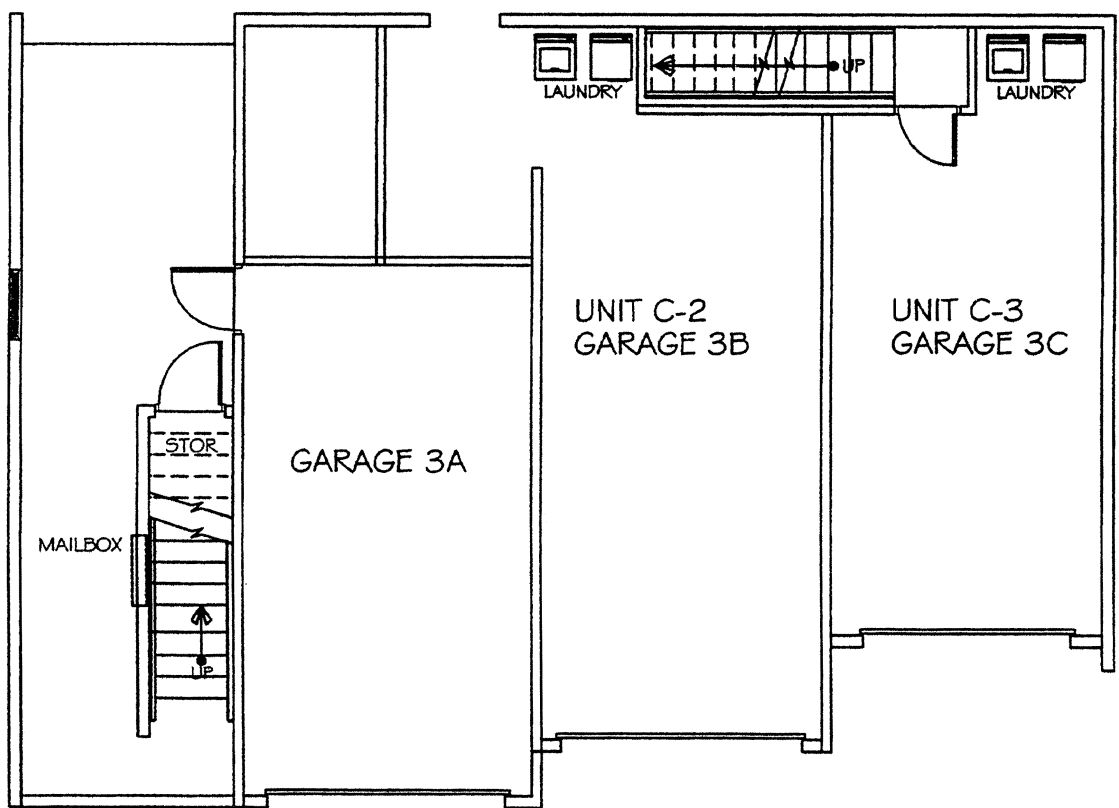
GARAGE TYPE 2  
 SCALE  $\frac{1}{8} = 1'-0$

*[Handwritten signature]*  
 6/10/04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL

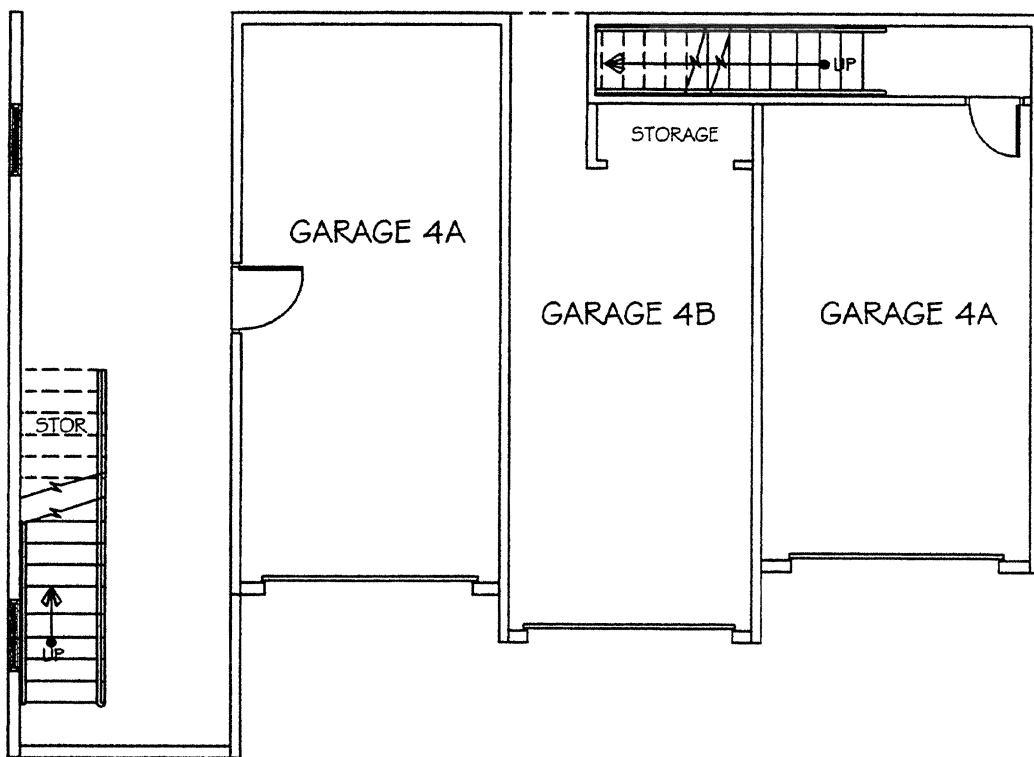


GARAGE TYPE 3  
 SCALE  $\frac{1}{8} = 1'-0$

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



GARAGE TYPE 4  
 SCALE  $\frac{1}{8} = 1'-0$

*[Handwritten signature]*  
 8-10-04

EDUARDO ALBERTO VAZQUEZ, RA  
 4400 NW 79 AVE  
 MIAMI, FLORIDA 33166  
 TEL.: (305) 592-6114

DATE: JUNE, 2004

EMERALD ISLE  
 CONDOMINIUM  
 4300 SAN MARINO BLV.  
 WEST PALM BEACH, FL



**EXHIBIT "3"**

**EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**

**PERCENTAGE OF OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS AND RESPONSIBILITY FOR COMMON EXPENSES**

Unit Type	% Share
Unit Type "A 1"	0.2099%
Unit Type "A 2"	0.2088%
Unit Type "A 3"	0.2187%
Unit Type "A 4"	0.2099%
Unit Type "B1" and "B2"	0.2557%
Unit Type "C1" and "C2"	0.2925%
Unit Type "C 3"	0.3038%
Unit Type "C 4"	0.2925%
Unit Type "D"	0.3590%

NOTE: FOR A DESCRIPTION OF UNITS BY UNIT TYPE, SEE EXHIBIT "2" TO THE DECLARATION OF CONDOMINIUM.

Exhibit "4"

**BY-LAWS  
OF  
EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**

*A corporation not for profit organized  
under the laws of the State of Florida*

1. Identity. These are the By-Laws of **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.** (the "Association"), a corporation not for profit incorporated under the laws of the State of Florida, and organized for the purposes set forth in its Articles of Incorporation.
  - 1.1 Fiscal Year. The fiscal year of the Association shall be the twelve month period commencing January 1st and terminating December 31<sup>st</sup> of each year. The provisions of this subsection 1.1 may be amended at any time by a majority of the Board of Directors of the Association.
  - 1.2 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.
2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definitions and meanings as those set forth in the Declaration for **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM**, unless herein provided to the contrary, or unless the context otherwise requires.
3. Members.
  - 3.1 Annual Meeting. The annual members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than thirteen (13) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors, and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof. Unless changed by the Board of Directors, the first annual meeting shall be held in the month of October following the year in which the Declaration is filed.
  - 3.2 Special Meetings. Special members' meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to those agenda items specifically identified in the notice of the meeting. Special meetings may also be called by Unit Owners in the manner provided for in the Act. Notwithstanding the foregoing: (i) as to special meetings regarding the adoption of the Condominium's estimated operating budget, reference should be made to Section 10.1 of these By-Laws; and (ii) as to special meetings regarding recall of Board members, reference should be made to Section 4.3 of these By-Laws.
  - 3.3 Participation by Unit Owners. Subject to the following and such further reasonable restrictions as may be adopted from time to time by the Board, Unit Owners shall have the right to speak at the annual and special meetings of the Unit Owners, committee meetings and Board meetings with reference to all designated agenda items. A Unit Owner does not have the right to speak with respect to items not specifically designated on the agenda, provided, however, that the Board may permit an Unit Owner to speak on such items in its discretion. Every Unit Owner who desires to speak at a meeting, may do so, provided that the Unit Owner has filed a written request with the Secretary of the Association not less than 24 hours prior to the scheduled time for commencement of the meeting. Unless waived by the chairman of the meeting (which may be done in the chairman's sole and absolute discretion and without being deemed to constitute a waiver as to any other subsequent speakers), all Unit Owners speaking at a meeting shall be limited to a maximum of three (3) minutes per speaker. Any Unit Owner may tape record or videotape a meeting, subject to the following and such further reasonable restrictions as may be adopted from time to time by the Board:
    - (a) The only audio and video equipment and devices which Unit Owners are authorized to utilize at any such meeting is equipment which does not produce distracting sound or light emissions;
    - (b) Audio and video equipment shall be assembled and placed in position in advance of the commencement of the meeting;
    - (c) Anyone videotaping or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the recording; and



- (d) At least 48 hours (or 24 hours with respect to a Board meeting) prior written notice shall be given to the Secretary of the Association by any Unit Owner desiring to make an audio or video taping of the meeting.

3.4 Notice of Meeting; Waiver of Notice. Notice of a meeting of members (annual or special), stating the time and place and the purpose(s) for which the meeting is called, shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium Property. The notice of an annual or special meeting shall be hand delivered, electronically transmitted or sent by regular mail to each Unit Owner, unless the Unit Owner waives in writing the right to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the member as last furnished to the Association by the Unit Owner. However, if a Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to that one address initially identified for that purpose by the Developer and thereafter as one or more of the Owners of the Unit shall so advise the Association in writing, or if no address is given or if the Owners disagree, notice shall be sent to the address for the Owner as set forth on the deed of the Unit. The posting and mailing of the notice for either special or annual meetings, which notice shall incorporate an identification of agenda items, shall be effected not less than fourteen (14) continuous days, nor more than sixty (60) days, prior to the date of the meeting. The Board shall adopt by rule, and give notice to Unit Owners of, a specific location on the Condominium Property upon which all notices of members' meetings shall be posted. In lieu of or in addition to the physical posting of notice of any meeting of the Unit Owners on the Condominium Property, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association, if any. However, if broadcast notice is used in lieu of a notice posted physically on the Condominium Property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member), either in person or by proxy, shall constitute such member's waiver of notice of such meeting, and waiver of any and all objections to the place of the meeting, the time of the meeting or the manner in which it has been called or convened, except when his (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

An officer of the Association, or the manager or other person providing notice of the meeting shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association, affirming that notices of meetings were posted and mailed or hand delivered in accordance with this Section and Section 718.112(2)(d) of the Act, to each Unit Owner at the appropriate address for such Unit Owner. No other proof of notice of a meeting shall be required.

3.5 Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy (limited or general), of persons entitled to cast in excess of 33 1/3% of the votes of members entitled to vote at the subject meeting.

3.6 Voting.

- (a) Number of Votes. Except as provided in Section 3.11 hereof, in any meeting of members, the Owners of each Unit shall be entitled to cast the number of votes designated for their Unit as set forth in the Articles. The vote of a Unit shall not be divisible.
- (b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes, except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Unit Owners" and "majority of the members" shall mean a majority of the votes entitled to be cast by the members and not a majority of the members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.
- (c) Voting Member. If a Unit is owned by one person, that person's right to vote shall be established by the roster of members. If a Unit is owned by more than one person, those persons (including husbands and wives) shall decide among themselves as to who shall cast the vote(s) of the Unit. In the event that those persons cannot so decide, no vote shall be cast. A person casting a vote (or votes) for a Unit shall be presumed to have the authority to do so unless the President or the Board of Directors is otherwise notified. If a Unit is owned by a corporation, the person entitled to cast the vote (or votes) for the Unit shall be designated by a certificate signed by an appropriate

officer of the corporation and filed with the Secretary of the Association. Such person need not be a Unit Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote (or votes) for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote (or votes) for a Unit for which such certificate is required is not on file or has been revoked, the vote (or votes) attributable to such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed.

- 3.7 Proxies. Votes to be cast at meetings of the Association membership may be cast in person or by proxy. Except as specifically provided herein, Unit Owners may not vote by general proxy, but may vote by limited proxies substantially conforming to the limited proxy form approved by the Division. Limited proxies shall be permitted to the extent permitted by the Act. No proxy, limited or general, shall be used in the election of Board members. General proxies may be used for other matters for which limited proxies are not required and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, signed by the person authorized to cast the vote for the Unit (as above described), name the person(s) voting by proxy and the person authorized to vote for such person(s) and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Each proxy shall contain the date, time and place of the meeting for which it is given and, if a limited proxy, shall set forth the matters on which the proxy holder may vote and the manner in which the vote is to be cast. There shall be no limitation on the number of proxies which may be held by any person (including a designee of the Developer). If a proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in its place. If such provision is not made, substitution is not permitted.
- 3.8 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.
- 3.9 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:
- (a) Collect any ballots not yet cast;
  - (b) Call to order by President;
  - (c) Appointment by the President of a chairman of the meeting (who need not be a member or a director);
  - (d) Appointment of inspectors of election;
  - (e) Counting of Ballots for Election of Directors;
  - (f) Proof of notice of the meeting or waiver of notice;
  - (g) Reading of minutes;
  - (h) Reports of officers;
  - (i) Reports of committees;
  - (j) Unfinished business;
  - (k) New business;
  - (l) Adjournment.

Such order may be waived in whole or in part by direction of the chairman.

- 3.10 Minutes of Meeting. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.
- 3.11 Action Without A Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required or which may be taken at any annual or special meeting of members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members (or persons authorized to cast the vote of any such members as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of members at which all members (or authorized persons) entitled to vote thereon were present and voted. In order to be effective, the action must be evidenced by one or more written consents describing the action taken, dated and signed by approving members having the requisite number of votes and entitled to vote on such action, and delivered to the Secretary of the Association, or other authorized agent of the Association. Written consent shall not be effective to take the corporate action referred to in the consent unless signed by members having the requisite number of votes necessary to authorize the action within sixty (60) days of the date of the earliest dated consent and delivered to the Association as aforesaid. Any written consent may be revoked prior to the date the Association receives the required number of consents to authorize the proposed action. A revocation is not effective unless in writing and until received by the Secretary of the Association, or other authorized agent of the Association. Within ten (10) days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. A consent signed in accordance with the foregoing has the effect of a meeting vote and may be described as such in any document.

#### 4. Directors.

- 4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than nine (9) directors, the exact number to be determined in the first instance in the Articles, and, thereafter, except as provided herein, from time to time upon majority vote of the membership. Directors must be natural persons who are 18 years of age or older. Any person who has been convicted of any felony by any court of record in the United States and who has not had his or her right to vote restored pursuant to law in the jurisdiction of his or her residence is not eligible for Board membership (provided, however, that the validity of any Board action is not affected if it is later determined that a member of the Board is ineligible for Board membership due to having been convicted of a felony). Directors may not vote at Board meetings by proxy or by secret ballot.
- 4.2 Election of Directors. Election of Directors shall be held at the annual members' meeting, except as herein provided to the contrary. Not less than sixty (60) days prior to a scheduled election, the Association shall mail, deliver or electronically transmit to each Unit Owner entitled to vote, a first notice of the date of election. Any Unit Owner or other eligible person desiring to be a candidate for the Board shall give written notice to the Secretary of the Association not less than forty (40) days prior to the scheduled election. Together with the notice of meeting and agenda sent in accordance with Section 3.4 above, the Association shall then, mail, deliver or electronically transmit a second notice of the meeting, not less than fourteen (14) continuous days prior to the date of the meeting, to all Unit Owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8-1/2 inches by 11 inches furnished by the candidate, which must be furnished by the candidate to the Association not less than thirty five (35) days before the election, to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the Association. The Association is not liable for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper.

The election of directors shall be by written ballot or voting machine. Proxies shall in no event be used in electing the Board at general elections or to fill vacancies caused by resignation or otherwise, provided, however, that limited proxies may be used to fill a vacancy resulting from the recall of a director, in the manner provided by the rules of the Division. Elections shall be decided by a plurality of those ballots and votes cast. There shall be no quorum requirement, however at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the Board. There shall be no cumulative voting.

Notwithstanding the provisions of this Section 4.2, an election is not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

#### 4.3 Vacancies and Removal.

- (a) Except as to vacancies resulting from removal of Directors by members (as addressed in subsection (b) below), vacancies in the Board of Directors occurring between annual meetings of members shall be filled by a majority vote of the remaining Directors at any Board meeting (even if the remaining Directors constitute less than a quorum), provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of paragraph 4.15 hereof shall be filled by the Developer without the necessity of any meeting.

- (b) Any Director elected by the members (other than the Developer) may be removed by concurrence of a majority of the voting interests of the members at a special meeting of members called for that purpose or by written agreement signed by a majority of all voting interests. The vacancy in the Board of Directors so created shall be filled by the members at a special meeting of the members called for such purpose, or by the Board of Directors, in the case of removal by a written agreement unless said agreement also designates a new Director to take the place of the one removed. The conveyance of all Units owned by a Director in the Condominium (other than appointees of the Developer or Directors who were not Unit Owners) shall constitute the resignation of such Director.
- (c) Anything to the contrary herein notwithstanding, until a majority of the Directors are elected by members other than the Developer of the Condominium, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.
- (d) If a vacancy on the Board of Directors results in the inability to obtain a quorum of directors in accordance with these By-Laws, and the remaining Directors fail to fill the vacancy by appointment of a director in accordance with applicable law, then any Owner may apply to the Circuit Court within whose jurisdiction the Condominium lies for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the Unit Owner shall mail to the Association and post in a conspicuous place on the Condominium Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these By-Laws. If, during such time, the Association fails to fill the vacancy(ies), the Unit Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these By-Laws.
- 4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and has taken office, or until he is removed in the manner elsewhere provided. Notwithstanding the foregoing, any Director designated by the Developer shall serve at the pleasure of the Developer and may be removed and replaced by the Developer at any time.
- 4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed Directors shall be held within ten (10) days of their election or appointment. The directors calling the organizational meeting shall give at least three (3) days advance notice thereof, stating the time and place of the meeting.
- 4.6 Meetings. Meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Meetings of the Board of Directors may be held by telephone conference, with those Directors attending by telephone counted toward the quorum requirement, provided that a telephone speaker must be used so that the conversation of those Directors attending by telephone may be heard by the Directors and any Unit Owners attending such meeting in person. Notice of meetings shall be given to each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. Meetings of the Board of Directors and any Committee thereof at which a quorum of the members of that Committee are present shall be open to all Unit Owners. Any Unit Owner may tape record or videotape meetings of the Board, in accordance with the rules of the Division. The right to attend such meetings includes the right to speak at such meetings with respect to all designated agenda items. The Association may adopt reasonable rules governing the frequency, duration and manner of Unit Owner statements. Adequate notice of such meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours preceding the meeting, except in the event of an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. Notwithstanding the foregoing, written notice of any meeting of the Board at which nonemergency special assessments, or at which amendment to rules regarding unit use will be proposed, discussed or approved, shall be mailed, delivered or electronically transmitted to all Unit Owners and posted conspicuously on the Condominium Property not less than fourteen (14) continuous days prior to the meeting. Evidence of compliance with this fourteen (14) continuous day notice shall be made by an affidavit executed by the Secretary of the Association and filed among the official records of the Association. The Board shall adopt by rule, and give notice to Unit Owners of, a specific location on the Condominium Property upon which all notices of Board and/or Committee meetings shall be posted. In lieu of or in addition to the physical posting of notice of any meeting of the Board on the Condominium Property, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association, if any. However, if broadcast notice is used in lieu of a notice posted physically on the Condominium Property, the notice and

agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors or where required by the Act. A Director or member of a Committee of the Board of Directors may submit in writing his or her agreement or disagreement with any action taken at a meeting that the board member or committee member did not attend, but the agreement or disagreement may not be used as a vote for or against the action taken and may not be used for purposes of creating a quorum.

- 4.7 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, and a waiver of any and all objections to the place of the meeting, to the time of the meeting or the manner in which it has been called or convened, except when a Director states at the beginning of the meeting, or promptly upon arrival at the meeting, any objection to the transaction of affairs because the meeting is not lawfully called or convened.
- 4.8 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws.
- 4.9 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided the majority of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted as long as notice of such business to be conducted at the rescheduled meeting is given, if required (e.g., with respect to budget adoption).
- 4.10 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting, but such joinder shall not be used as a vote for or against any particular action taken and shall not allow the applicable Director to be counted as being present for purposes of quorum.
- 4.11 Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other Unit Owner to preside).
- 4.12 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:
- (a) Proof of due notice of meeting;
  - (b) Reading and disposal of any unapproved minutes;
  - (c) Reports of officers and committees;
  - (d) Election of officers;
  - (e) Unfinished business;
  - (f) New business;
  - (g) Adjournment.

Such order may be waived in whole or in part by direction of the presiding officer.

- 4.13 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.
- 4.14 Committees. The Board may by resolution also create Committees and appoint persons to such Committees and vest in such Committees such powers and responsibilities as the Board shall deem advisable.
- 4.15 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three directors during the period that the Developer is entitled to appoint a majority of the Directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than the Developer own fifteen (15%) percent or more of the Units in the Condominium. When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units

in the Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Upon the election of such director(s), the Developer shall forward to the Division of Florida Land Sales, Condominiums and Mobile Homes the name and mailing address of the director(s) elected. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors: (a) three years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (b) three months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (c) when all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) when some of the Units have been conveyed to purchasers, and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (e) seven (7) years after recordation of the Declaration, whichever occurs first. The Developer is entitled (but not obligated) to elect at least one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business five percent (5%) of the Units that will be operated ultimately by the Association.

The Developer may transfer control of the Association to Unit Owners other than the Developer prior to such dates in its sole discretion by causing enough of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Unit Owners other than the Developer to elect Directors and assume control of the Association. Provided at least sixty (60) days' notice of Developer's decision to cause its appointees to resign is given to Unit Owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignations even if the Unit Owners other than the Developer refuse or fail to assume control.

Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, or sooner if the Developer has elected to accelerate such event as aforesaid, the Association shall call, and give not less than sixty (60) days' notice of an election for the member or members of the Board of Directors. The notice may be given by any Unit Owner if the Association fails to do so.

At the time the Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association, the Developer shall relinquish control of the Association and such Unit Owners shall accept control. At that time (except as to subparagraph (g), which may be ninety (90) days thereafter) Developer shall deliver to the Association, at Developer's expense, all property of the Unit Owners and of the Association held or controlled by the Developer, including, but not limited to, the following items, if applicable to the Condominium:

- (a) The original or a photocopy of the recorded Declaration of Condominium, and all amendments thereto. If a photocopy is provided, the Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration.
- (b) A certified copy of the Articles of Incorporation of the Association.
- (c) A copy of the By-Laws of the Association.
- (d) The minute book, including all minutes, and other books and records of the Association.
- (e) Any rules and regulations which have been adopted.
- (f) Resignations of resigning officers and Board members who were appointed by the Developer.
- (g) The financial records, including financial statements of the association, and source documents from the incorporation of the Association through the date of the turnover. The records shall be audited for the period from the incorporation of the Association or from the period covered by the last audit, if applicable, by an independent certified public accountant. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards as prescribed by the Florida Board of Accountancy. The accountant performing the audit shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of Assessments.
- (h) Association funds or the control thereof.
- (i) All tangible personal property that is the property of the Association or is or was represented by the Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property.

- (j) A copy of the plans and specifications utilized in the construction or remodeling of Improvements and the supplying of equipment, and for the construction and installation of all mechanical components serving the Improvements and the Condominium Property, with a certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components serving the Improvements and the Condominium Property.
- (k) A list of the names and addresses of all contractors, subcontractors and suppliers, of which Developer had knowledge at any time in the development of the Condominium, utilized in the construction or remodeling of the improvements and the landscaping of the Condominium and/or Association Property.
- (l) Insurance policies.
- (m) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property.
- (n) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association.
- (o) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective.
- (p) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records.
- (q) Leases of the Common Elements and other leases to which the Association is a party, if applicable.
- (r) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service.
- (s) All other contracts to which the Association is a party.

5. Authority of the Board.

- 5.1 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:
- (a) Operating and maintaining all Common Elements and the Association Property.
  - (b) Determining the expenses required for the operation of the Association and the Condominium.
  - (c) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements and the Association Property.
  - (d) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium and Association Property, subject to a right of the Unit Owners to overrule the Board as provided in Section 14 hereof.
  - (e) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
  - (f) Purchasing, leasing or otherwise acquiring title to, or an interest in, property in the name of the Association, or its designee, for the use and benefit of its members. The power to acquire personal property shall be exercised by the Board and the power to acquire real property shall be exercised as described herein and in the Declaration.
  - (g) Purchasing, leasing or otherwise acquiring Units or other property, including, without limitation, Units at foreclosure or other judicial sales, all in the name of the Association, or its designee.



- (h) Selling, leasing, mortgaging or otherwise dealing with Units acquired, and subleasing Units leased, by the Association, or its designee.
- (i) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.
- (j) Obtaining and reviewing insurance for the Condominium and Association Property.
- (k) Making repairs, additions and improvements to, or alterations of, Condominium Property and Association Property, and repairs to and restoration of Condominium and Association Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (l) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.
- (m) Levying fines against appropriate Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners. No fine shall be levied except after giving reasonable notice and opportunity for a hearing to the affected Unit Owner and, if applicable, his tenant, licensee or invitee. The hearing must be held before a committee of other Unit Owners. If the committee does not agree with the fine, the fine may not be levied. No fine may exceed \$100.00 per violation, however, a fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, provided however, that no such fine shall in the aggregate exceed \$1,000.00. No fine shall become a lien upon a Unit.
- (n) Purchasing or leasing Units for use by resident superintendents and other similar persons or for the general use and enjoyment of the Unit Owners.
- (o) Borrowing money on behalf of the Association or the Condominium when required in connection with the operation, care, upkeep and maintenance of Common Elements (if the need for the funds is unanticipated) or the acquisition of real property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum which would cause the total outstanding indebtedness of the Association to exceed \$25,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph 5.1(o) is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Owner's Unit. Notwithstanding the foregoing, the restrictions on borrowing contained in this subparagraph 5.1(o) shall not apply if such indebtedness is entered into for the purpose of financing insurance premiums, which action may be undertaken solely by the Board of Directors, without requiring a vote of the Unit Owners.
- (p) Subject to the provisions of Section 5.2 below, contracting for the management and maintenance of the Condominium and Association Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements and Association Property with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Declaration, the Articles, these By-Laws and the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (q) At its discretion, but within the parameters of the Act, authorizing Unit Owners or other persons to use portions of the Common Elements or Association Property for private parties and gatherings and imposing reasonable charges for such private use.
- (r) Executing all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit Owner by acceptance of a lien on said Unit, appoints and designates the President of the Association as such Owner's agent and attorney-in-fact to execute any and all such documents or consents.



- (s) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws and in the Act, (ii) all powers incidental thereto, and (iii) all other powers of a Florida corporation not for profit.

5.2 Contracts. Any contract which is not to be fully performed within one (1) year from the making thereof, for the purchase, lease or renting of materials or equipment to be used by the Association in accomplishing its purposes, and all contracts for the provision of services, shall be in writing. Where a contract for purchase, lease or renting materials or equipment, or for the provision of services, requires payment by the Association on behalf of the Condominium in the aggregate exceeding \$5,000.00, the Association shall obtain competitive bids for the materials, equipment or services. Nothing contained herein shall be construed to require the Association to accept the lowest bid. Notwithstanding the foregoing, contracts with employees of the Association and contracts for attorney, accountant, architect, community association manager, engineering and landscape architect services shall not be subject to the provisions hereof. Further, nothing contained herein is intended to limit the ability of the Association to obtain needed products and services in an emergency; nor shall the provisions hereof apply if the business entity with which the Association desires to contract is the only source of supply within the County.

## 6. Officers.

6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice-President, a Treasurer and a Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers, other than designees of the Developer, must be Unit Owners (or authorized representatives of corporate/partnership/trust Unit Owners).

6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.

6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as may be required by the Directors or the President.

6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. The Secretary shall attend to the giving of all notices to the members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. The Secretary shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. The Treasurer shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer and as may be required by the Directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

7. Fiduciary Duty. The officers and directors of the Association, as well as any manager employed by the Association, have a fiduciary relationship to the Unit Owners. No officer, director or manager shall solicit, offer to accept, or accept any thing or service of value for which consideration has not been provided for his own benefit or that of his immediate family, from any person providing or proposing to provide goods or services to the Association. Any such officer, director or manager who knowingly so solicits, offers to accept or accepts any thing or service of value shall, in addition to all other rights and remedies of the Association and Unit Owners, be subject to a civil penalty in accordance with the Act. Notwithstanding the foregoing, this paragraph shall not prohibit an officer, director or manager from accepting services or items received in connection with trade fairs or education programs.

8. Compensation. Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out of pocket expenses relating to the proper discharge of their respective duties.

9. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or officer (other than appointees of the Developer or officers who were not Unit Owners) shall constitute a written resignation of such Director or officer.
10. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:

10.1 Budget.

- (a) Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for all Condominiums governed and operated by the Association (which shall detail all accounts and items of expense and contain at least all items set forth in Section 718.504(21) of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of such Condominium(s) and allocate and assess such expenses among the Unit Owners in accordance with the provisions of the Declaration. In addition, if the Association maintains limited common elements with the cost to be shared only by those entitled to use the limited common elements, the budget or a schedule attached thereto shall show amounts budgeted therefor. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance (to the extent required by law). These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000.00. The amount of reserves shall be computed by means of a formula which is based upon the estimated remaining useful life and the estimated replacement cost of each reserve item. The Association may adjust replacement and reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. Reserves shall not be required if the members of the Association have, by a majority vote at a duly called meeting of members, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby. Prior to transfer of control of the Association to Unit Owners other than the Developer, the Developer may vote to waive reserves or reduce the funding of reserves for the first two (2) fiscal years of operation of the Association, beginning with the fiscal year in which the Declaration is recorded, with the vote taken each fiscal year and to be effective for only one annual budget, after which time and until transfer of control of the Association to Unit Owners other than the Developer, reserves may only be waived or reduced upon the vote of a majority of all non-Developer voting interests voting in person or by limited proxy at a duly called meeting of the Association. Following transfer of control of the Association to Unit Owners other than the Developer, the Developer may vote its voting interest to waive or reduce the funding of reserves. If a meeting of Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures, unless their use for any other purposes is approved in advance by a majority vote at a duly called meeting of the Association. Prior to transfer of control of the Association to Unit Owners other than the Developer, the Association shall not vote to use reserves for purposes other than that for which they were intended without the approval of a majority of all non-Developer voting interests, voting in person or by limited proxy at a duly called meeting of the Association.

The adoption of a budget for the Condominium shall comply with the requirements hereinafter set forth:

- (i) Notice of Meeting. A copy of the proposed budget of Common Expenses shall be hand delivered, mailed or electronically transmitted to each Unit Owner (at the address last furnished to the Association) not less than fourteen (14) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting. An officer or manager of the Association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with such notice requirement and such affidavit shall be filed among the official records of the Association.
- (ii) Special Membership Meeting. If the Board of Directors adopts in any fiscal year an annual budget which requires assessments against Unit Owners which exceed one hundred fifteen percent (115%) of such Assessments for the preceding fiscal year, the Board of Directors shall conduct a special meeting of the Unit Owners to consider a substitute budget if the Board of Directors receives, within twenty-one (21) days following the adoption of the annual budget, a written request for a special meeting from at least ten percent (10%) of all voting interests. In such instance, the special meeting shall be conducted within sixty (60) days following the adoption of the annual budget. At least fourteen (14) days prior to such special meeting, the Board of Directors shall hand deliver to each Unit Owner, or mail to each Unit Owner at the address last furnished to the Association, a notice of the meeting. An officer or manager of the Association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with this notice requirement and such affidavit shall be filed among the official records of the Association. Unit

Owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board of Directors shall take effect as scheduled.

- (iii) Determination of Budget Amount. Any determination of whether assessments exceed one hundred fifteen percent (115%) of assessments for the preceding fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses of the Association which the Board of Directors does not expect to be incurred on a regular or annual basis, or assessments for betterments to the Condominium Property.
- (iv) Proviso. As long as the Developer is in control of the Board of Directors of the Association, the Board shall not impose Assessments for a year greater than one hundred fifteen percent (115%) of the prior fiscal year's Assessments, as herein defined, without the approval of a majority of all voting interests.
- (b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for a fiscal year in accordance with the requirements of Subsection 10.1(a) above, the Board of Directors may call a special meeting of Unit Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection, or propose a budget in writing to the members, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

10.2 Assessments. Assessments against Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually at least twenty (20) days preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the Assessments are made. If annual Assessments are not made as required, Assessments shall be presumed to have been made in the amount of the last prior Assessments, and monthly (or quarterly) installments on such Assessments shall be due upon each installment payment date until changed by amended Assessments. In the event the annual Assessments prove to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors, subject to the provisions of Section 10.1 hereof, if applicable. Unpaid Assessments for the remaining portion of the fiscal year for which amended Assessments are made shall be payable in as many equal installments as there are full months (or quarters) of the fiscal year left as of the date of such amended Assessments, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended Assessments shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.

10.3 Special Assessments and Assessments for Capital Improvements. Special Assessments and Capital Improvement Assessments (as defined in the Declaration) shall be levied as provided in the Declaration and shall be paid in such manner as the Board of Directors of the Association may require in the notice of such Assessments. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in the notice of adoption of same. However, upon completion of such specific purpose or purposes, any excess funds will be considered Common Surplus, and may, at the discretion of the Board, either be returned to the Unit Owners or applied as a credit towards future assessments.

10.4 Depository. The depository of the Association shall be such bank or banks in the State of Florida, which bank or banks must be insured by the FDIC, as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from Assessments or otherwise may be commingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors. In addition, a separate reserve account should be established for the Association in such a depository for monies specifically designated as reserves for capital expenditures and/or deferred maintenance. Reserve and operating funds of the Association shall not be commingled unless combined for investment purposes, provided that the funds so commingled shall be accounted for separately and the combined account balance of such commingled funds may not, at any time, be less than the amount identified as reserve funds in the combined account.

10.5 Acceleration of Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon his Assessments, the Board of Directors or its agent may accelerate the balance of the current budget years' Assessments upon thirty (30) days' prior written notice to the Unit Owner and the filing of a claim of lien, and the then unpaid balance of the current budget years' Assessments shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Unit

Owner, or not less than ten (10) days after the mailing of such notice to him by certified mail, whichever shall first occur.

10.6 Fidelity Insurance or Fidelity Bonds. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse Association funds, which shall include, without limitation, those individuals authorized to sign Association checks and the president, secretary and treasurer of the Association. The insurance policy or fidelity bond shall be in such amount as shall be determined by a majority of the Board, but must be sufficient to cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The premiums on such bonds and/or insurance shall be paid by the Association as a Common Expense.

10.7 Accounting Records and Reports. The Association shall maintain accounting records in the State, according to accounting practices normally used by similar associations. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) an account for each Unit designating the name and current mailing address of the Unit Owner, the amount of Assessments, the dates and amounts in which the Assessments come due, the amount paid upon the account and the dates so paid, and the balance due. Written summaries of the records described in clause (a) above, in the form and manner specified below, shall be supplied to each Unit Owner annually.

Within ninety (90) days following the end of the fiscal year, the Association shall prepare and complete, or contract for the preparation and completion of a financial report for the preceding fiscal year (the "Financial Report"). Within twenty-one (21) days after the final Financial Report is completed by the Association, or received from a third party, but not later than one hundred twenty (120) days following the end of the fiscal year, the Board shall mail, or furnish by personal delivery, a copy of the Financial Report to each Unit Owner, or a notice that a copy of the Financial Report will be mailed or hand delivered to the Unit Owner, without charge, upon receipt of a written request from the Unit Owner.

The Financial Report shall be prepared in accordance with the rules adopted by the Division. The type of Financial Report to be prepared shall, unless modified in the manner set forth below, be based upon the Association's total annual revenues, as follows:

- (a) REPORT OF CASH RECEIPTS AND EXPENDITURES – if the Association's revenues are less than \$100,000.00 or if the Association operates less than fifty (50) Units (regardless of revenue) [or, if determined by the Board, the Association may prepare any of the reports described in subsections (b), (c) or (d) below in lieu of the report described in this section (a)].
- (b) COMPILED FINANCIAL STATEMENTS – if the Association's revenues are equal to or greater than \$100,000.00, but less than \$200,000.00 [or, if determined by the Board, the Association may prepare any of the reports described in subsections (c) or (d) below in lieu of the report described in this section (b)].
- (c) REVIEWED FINANCIAL STATEMENTS – if the Association's revenues are equal to or greater than \$200,000.00, but less than \$400,000.00 [or, if determined by the Board, the Association may prepare the report described in subsection (d) below in lieu of the report described in this section (c)].
- (d) AUDITED FINANCIAL STATEMENTS – if the Association's revenues are equal to or exceed \$400,000.00.

A report of cash receipts and expenditures must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional and management fees and expenses, taxes, costs for recreation facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures, deferred maintenance, and any other category for which the association maintains reserves.

If approved by a majority of the voting interests present at a properly called meeting of the Association, the Association may prepare or cause to be prepared: (i) a report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement; (ii) a report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or (iii) a report of cash receipts and expenditures, a compiled financial statement or a reviewed financial statement in lieu of an audited financial statement. Such meeting and approval must occur prior to the end of the fiscal year and is effective only for the fiscal year in which the vote is taken. Prior to the time that control of the Association has been turned over to Unit Owners other than the Developer, all Unit Owners, including the Developer, may vote on issues related to the preparation of financial reports for the first two (2) fiscal years

of the Association's operation. Thereafter, until control of the Association has been turned over to Unit Owners other than the Developer, all Unit Owners except for the Developer may vote on such issues.

- 10.8 Application of Payment. All payments made by a Unit Owner shall be applied as provided in these By-Laws and in the Declaration or as otherwise determined by the Board.
- 10.9 Notice of Meetings. Notice of any meeting where Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.
11. Roster of Unit Owners. Each Unit Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.
12. Parliamentary Rules. Except when specifically or impliedly waived by the chairman of a meeting (either of members or directors), Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Act, the Declaration, the Articles or these By-Laws; provided, however, that a strict or technical reading of said Robert's Rules shall not be made so as to frustrate the will of the persons properly participating in said meeting.
13. Amendments. Except as may be provided in the Declaration to the contrary, these By-Laws may be amended in the following manner:
- 13.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.
- 13.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, but the agreement or disagreement may not be used as a vote for or against the action taken and may not be used for purposes of creating a quorum. The approval must be:
- (a) by not less than a majority of the votes of all members of the Association voting in person or by proxy at a meeting at which a quorum has been attained and by not less than 66-2/3% of the entire Board of Directors; or
- (b) after control of the Association has been turned over to Unit Owners other than the Developer, by not less than 80% of the votes of the members of the Association voting in person or by proxy at a meeting at which a quorum has been attained.
- 13.3 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Units without the consent of said Developer and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this Section shall be valid.
- 13.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of these By-Laws, which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of the County with an identification on the first page of the amendment of the Official Records Book and Page of said Public Records where the Declaration is recorded.
14. Rules and Regulations. Attached hereto as **Schedule "A"** and made a part hereof are initial rules and regulations concerning the use of portions of the Condominium and Association Property. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units may overrule the Board with respect to any such modifications, amendments or additions. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.
15. Written Inquiries. When a Unit Owner files a written inquiry by certified mail with the Board, the Board shall respond in writing to the Unit Owner within thirty (30) days of receipt of such inquiry and more particularly in the manner set forth

in Section 718.112(2)(a)2, Florida Statutes. The Association may, through its Board, adopt reasonable rules and regulations regarding the frequency and manner of responding to Unit Owner inquiries.

16. Official Records. From the inception of the Association, the Association shall maintain for the condominium, a copy of each of the following, where applicable, which shall constitute the official records of the Association:
- (a) The plans, permits, warranties, and other items provided by the Developer pursuant to Section 718.301(4) of the Act;
  - (b) A photocopy of the recorded Declaration of Condominium and all amendments thereto;
  - (c) A photocopy of the recorded By-Laws of the Association and all amendments thereto;
  - (d) A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto;
  - (e) A copy of the current Rules and Regulations of the Association;
  - (f) A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Unit Owners, which minutes shall be retained for a period of not less than 7 years;
  - (g) A current roster of all Unit Owners, their mailing addresses, Unit identifications, voting certifications, and if known, telephone numbers. The Association shall also maintain the electronic mailing addresses and the numbers designated by Unit Owners for receiving notices sent by electronic transmission of those Unit Owners consenting to receive notice by electronic transmission. The electronic mailing addresses and numbers provided by Unit Owners to receive notice by electronic transmission shall be removed from Association records when consent to receive notice by electronic transmission is revoked. However, the Association shall not be liable for an erroneous disclosure of the electronic mail address or the number for receiving electronic transmission of notices;
  - (h) All current insurance policies of the Association and of all Condominiums operated by the Association;
  - (i) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Unit Owners have an obligation or responsibility;
  - (j) Bills of Sale or transfer for all property owned by the Association;
  - (k) Accounting records for the Association and the accounting records for the Condominium. All accounting records shall be maintained for a period of not less than 7 years. The accounting records shall include, but not be limited to:
    - (i) Accurate, itemized, and detailed records for all receipts and expenditures.
    - (ii) A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each Assessment, the amount paid upon the account, and the balance due.
    - (iii) All audits, reviews, accounting statements, and financial reports of the Association or Condominium.
    - (iv) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of 1 year;
  - (l) Ballots, sign-in sheets, voting proxies and all other papers relating to elections which shall be maintained for a period of 1 year from the date of the meeting to which the document relates;
  - (m) All rental records where the Association is acting as agent for the rental of Units;
  - (n) A copy of the current Question and Answer Sheet, in the form promulgated by the Division, which shall be updated annually; and
  - (o) All other records of the Association not specifically listed above which are related to the operation of the Association.

The official records of the Association shall be maintained in the County in which the Condominium is located, or if in another county, then within twenty five (25) miles of the Condominium.

The official records of the Association shall be open to inspection by any Association member or the authorized representative of such member and shall be made available to a Unit Owner within five (5) working days after receipt of a written request by the board or its designees. The right to inspect the records includes the right to make or obtain copies, at a reasonable expense, if any, of the Association member. The Association may adopt reasonable rules regarding the time, location, notice and manner of record inspections and copying. The failure of an Association to provide official records to a Unit Owner or his authorized representative within ten (10) working days after receipt of a written request therefor shall create a rebuttable presumption that the Association willfully failed to comply with this paragraph. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records for inspection. The Association shall maintain on the Condominium Property an adequate number of copies of the Declaration, Articles, By-Laws and rules, and all amendments to the foregoing, as well as the Question and Answer Sheet and year-end financial information required by the Act, to ensure their availability to Unit Owners and prospective purchasers. The Association may charge its actual costs for preparing and furnishing these documents to those persons requesting same. Notwithstanding the provisions of this Section 16, the following records shall not be accessible to Unit Owners:

- (i) Any record protected by the lawyer-client privilege as described in Section 90.502, Florida Statutes, and any record protected by the work-product privilege including any record prepared by an Association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation or imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.
  - (ii) Information obtained by an Association in connection with the approval of the lease, sale or other transfer of a Unit.
  - (iii) Medical records of Unit Owners.
17. Certificate of Compliance. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board as evidence of compliance of the Units to the applicable condominium fire and life safety code.
18. Provision of Information to Purchasers or Lienholders. The Association or its authorized agent shall not be required to provide a prospective purchaser or lienholder with information about the Condominium or the Association other than information or documents required by the Act to be made available or disclosed. The Association or its authorized agent shall be entitled to charge a reasonable fee to the prospective purchaser, lienholder, or the current Unit Owner for its time in providing good faith responses to requests for information by or on behalf of a prospective purchaser or lienholder, other than that required by law, provided that such fee shall not exceed \$150.00 plus the reasonable cost of photocopying and any attorney's fees incurred by the Association in connection with the Association's response.
19. Electronic Transmission. For purposes hereof, "electronic transmission" means any form of communication, not directly involving the physical transmission or transfer of paper, which creates a record that may be retained, retrieved, and reviewed by a recipient thereof and which may be directly reproduced in a comprehensible and legible paper form by such recipient through an automated process. Examples of electronic transmission include, but are not limited to, telegrams, facsimile transmissions of images, and text that is sent via electronic mail between computers. Notwithstanding the provision for electronic transmission of notices by the Association, same may be only be sent to Unit Owners that consent to receipt of Association notices by electronic transmission (and only for long as such consent remains in effect). Further, in no event may electronic transmission be used as a method of giving notice of a meeting called in whole or in part regarding the recall of a Director.
20. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders. To the extent not otherwise provided for or addressed in these Bylaws, the Bylaws shall be deemed to include the provision of Section 718.112(2)(a) through (m) of the Act.
21. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.



The foregoing was adopted as the By-Laws of **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**, a corporation not for profit under the laws of the State of Florida, as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_.

Approved:

\_\_\_\_\_  
Jeffrey Lagomacini, President

\_\_\_\_\_  
Alexander Vega, Secretary



**SCHEDULE "A"**  
**TO**  
**BY-LAWS**

**RULES AND REGULATIONS**  
**FOR**  
**EMERALD ISLE AT LAGUNA LAKES**

Each of the rules and regulations shall be in accordance with all applicable county and state codes, ordinances and regulations.

1. The sidewalks, entrances, passages, lobbies and hallways and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium Property; nor shall any carts, bicycles, carriages, chairs, tables, clothing, shoes or any other objects be stored therein, except in areas (if any) designated for such purposes.

2. The personal property of Unit Owners and occupants must be stored in their respective Units.

3. No articles other than patio-type furniture shall be placed on the balconies, patios, terraces and/or lanais or other Common Elements or Limited Common Elements. No linens, cloths, clothing, shoes, bathing suits or swimwear, curtains, rugs, mops, or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, balconies, patios, terraces, lanais, railings or other portions of the Condominium or Association Property.

4. No Unit Owner or occupant shall permit anything to fall from a window or door of the Condominium or Association Property, nor sweep or throw from the Condominium or Association Property any dirt or other substance onto any of the balconies, patios, terraces and/or lanais or elsewhere in the Building or upon the Common Elements. Each Unit Owner shall be responsible for cleaning up after themselves, and their guests, tenants and invitees when within the Condominium Property or Association Property, including, without limitation, placing all trash and/or garbage in the proper receptacles.

5. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the company or agency providing trash removal services for disposal or collection shall be complied with. All equipment for storage, recycling or disposal of such material shall be kept in a clean and sanitary condition.

6. Employees of the Association are not to be sent out by Unit Owners or occupants for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

7. No repair of vehicles shall be made on the Condominium Property and no inoperable vehicles shall be permitted on the Condominium Property.

8. No Unit Owner or occupant shall make or permit any disturbing noises, nor allow any disturbing noises to be made by the Owner's family, employees, pets, agents, tenants, visitors or licensees, nor permit any conduct by such persons or pets that will interfere with the rights, comforts or conveniences of other Unit Owners or occupants. No Unit Owner or occupant shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio or sound amplifier in his Unit in such a manner as to disturb or annoy other residents. No Unit Owner or occupant shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

9. No sign, advertisement, notice or other graphics or lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium or Association Property, except signs used or approved by the Developer (until such time as Developer is no longer offering units for sale in the ordinary course of business, and thereafter by the Board) for as long as the Developer owns any portion of the Condominium Property, and thereafter by the Board). Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the Building or on the Common Elements, without the prior written consent of the Board of Directors of the Association.

10. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements, other than as is reasonable and customary in vehicles and/or in cleaning supplies.

11. A Unit Owner or occupant who plans to be absent during the hurricane season must prepare his or her Unit prior to his or her departure by designating a responsible firm or individual to care for the Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual.

12. A Unit Owner or occupant shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, railings or windows of the Building. Notwithstanding the foregoing, any Unit Owner may display one portable, removable United States flag in a respectful way, and, on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, may display in a respectful way portable, removable official flags, not larger than 4½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard. Curtains and drapes (or linings thereof) which face on exterior windows or glass doors of Units shall be subject to disapproval by the Board, in which case they shall be removed and replaced with acceptable items.

13. Installation of satellite dishes by Unit Owners shall be restricted in accordance with the following: (a) installation shall be limited solely to the Unit or any Limited Common Elements appurtenant thereto, and may not be on the Common Elements; (b) the dish may be no greater than one meter in diameter, and (c) to the extent that same may be accomplished without (i) impairing reception of an acceptable quality signal, (ii) unreasonably preventing or delaying installation,

maintenance or use of an antenna, or (iii) unreasonably increasing the cost of installing, maintaining or using an antenna, the dish shall be placed in a location which minimizes its visibility from the Common Elements.

14. No window air-conditioning units may be installed by Unit Owners or occupants. No Unit shall have any aluminum foil placed in any window or glass door or any reflective or tinted substance placed on any glass, unless approved, in advance by the Board of Directors in writing. No unsightly materials may be placed on any window or glass door or be visible through such window or glass door.

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

16. Pets, birds, fish and other animals, reptiles or wildlife shall neither be kept nor maintained in or about the Condominium Property except in accordance with the following, in addition to the applicable terms of the Declaration:

- (a) Dogs and cats shall not be permitted outside of their owner's Unit unless attended by an adult and on a leash not more than six (6) feet long. Said dogs and cats shall only be walked or taken upon those portions of the Common Elements designated by the Association from time to time for such purposes. In no event shall said dog or cat ever be allowed to be walked or taken on or about any recreational facilities contained within the Condominium Property.
- (b) Fish or caged domestic (household-type) birds may be kept in the Units, subject to the provisions of the Declaration.
- (c) Unit owners shall pick up all solid wastes from their pets and dispose of same appropriately.

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. In addition to all other remedies, a fine or fines may be imposed upon an Owner for failure of an Owner, or such Owner's family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, Articles of Incorporation or By-Laws, provided that the procedures set forth in the Declaration for fining are adhered to. Fines shall not be construed to be an exclusive remedy and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner or occupant shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner or occupant.

18. These rules and regulations shall be cumulative with the covenants, conditions and restrictions set forth in the Declaration of Condominium, the Master Covenants and the Neighborhood Covenants, provided that the provisions of same shall control over these rules and regulations in the event of a conflict or a doubt as to whether a specific practice or activity is or is not permitted. These rules and regulations shall not apply to the Developer, nor its agents or employees and contractors, nor to the Units owned by the Developer. All of these rules and regulations shall apply 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 Unit Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of the Board.

**Exhibit "5"**

**ARTICLES OF INCORPORATION  
FOR  
EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**

The undersigned incorporator, for the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, hereby adopts the following Articles of Incorporation:

**ARTICLE 1  
NAME**

The name of the corporation shall be **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.** For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles", and the By-Laws of the Association as the "By-Laws".

**ARTICLE 2  
OFFICE**

The principal office and mailing address of the Association shall be at 14160 Palmetto Frontage Road, Suite 21, Miami Lakes, Florida 33016, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office or at such other place as may be permitted by the Act.

**ARTICLE 3  
PURPOSES AND POWERS**

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act as it exists on the date hereof (the "Act") for the operation of that certain condominium located in Palm Beach County, Florida, and known as **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM** (the "Condominium").

**ARTICLE 4  
DEFINITIONS**

The terms used in these Articles shall have the same definitions and meanings as those set forth in the Declaration of the Condominium to be recorded in the Public Records of Palm Beach County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

**ARTICLE 5  
POWERS**

The powers of the Association shall include and be governed by the following:

- 5.1 **General.** The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida, except as expressly limited or restricted by the terms of these Articles, the Declaration, the By-Laws or the Act.
- 5.2 **Enumeration.** The Association shall have all of the powers and duties set forth in the Act, except as limited by these Articles, the By-Laws and the Declaration (to the extent that they are not in conflict with the Act), and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as more particularly described in the By-Laws, as they may be amended from time to time, including, but not limited to, the following:
  - (a) To make and collect Assessments and other charges against members as Unit Owners (whether or not such sums are due and payable to the Association), and to use the proceeds thereof in the exercise of its powers and duties.
  - (b) To assume all of Developer's and/or its affiliates': (i) rights and responsibilities under the Sharing Agreement and/or (ii) responsibilities to the County, and its governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Condominium Property (including, without limitation, any and all obligations imposed by any permits or approvals issued by the County, as same may be amended, modified or

interpreted from time to time) and, in either such instance, the Association shall indemnify and hold Developer and its affiliates harmless with respect thereto in the event of the Association's failure to fulfill those responsibilities.

- (c) To buy, accept, own, operate, lease, sell, trade and mortgage both real and personal property in accordance with the provisions of the Declaration.
  - (d) To maintain, repair, replace, reconstruct, add to and operate the Condominium Property and/or Association Property, and other property acquired or leased by the Association.
  - (e) To purchase insurance upon the Condominium Property and Association Property and insurance for the protection of the Association, its officers, directors and Unit Owners.
  - (f) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and Association Property and for the health, comfort, safety and welfare of the Unit Owners.
  - (g) To approve or disapprove the leasing, transfer, ownership and possession of Units as may be provided by the Declaration.
  - (h) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property and Association Property.
  - (i) To contract for the management and maintenance of the Condominium Property and/or Association Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements and Association Property with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
  - (j) To employ personnel to perform the services required for the proper operation of the Condominium and the Association Property.
  - (k) The obligation to (i) operate and maintain the surface water management system in accordance with the permit issued by the District, (ii) carry out, maintain, and monitor any required wetland mitigation tasks and (iii) maintain copies of all permitting actions with regard to the District.
  - (l) To execute all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Unit Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit by acceptance of a lien on said Unit, appoints and designates the President of the Association as such Unit Owner's and mortgagee's agent and attorney-in-fact to execute, any and all such documents or consents.
- 5.3 Association Property. All funds and the title to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles and the By-Laws.
- 5.4 Distribution of Income: Dissolution. The Association shall not pay a dividend to its members and shall make no distribution of income to its members, directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency or as otherwise authorized by the Florida Not For Profit Corporation Act (Chapter 617, Florida Statutes).
- 5.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act, provided that in the event of conflict, the provisions of the Act shall control over those of the Declaration and By-Laws.

**ARTICLE 6**  
**MEMBERS**

- 6.1 Membership. The members of the Association shall consist of all of the record title owners of Units in the Condominium from time to time, and after termination of the Condominium, shall also consist of those who were members at the time of such termination, and their successors and assigns.
- 6.2 Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.
- 6.3 Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one (1) vote for each Unit. All votes shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Unit shall be entitled to cast the aggregate number of votes attributable to all Units owned.
- 6.4 Meetings. The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

**ARTICLE 7**  
**TERM OF EXISTENCE**

The Association shall have perpetual existence, unless dissolved in accordance with applicable law.

**ARTICLE 8**  
**INCORPORATOR**

The name and address of the Incorporator of this Corporation is:

<u>NAME</u>	<u>ADDRESS</u>
Alexander Vega	14160 Palmetto Frontage Road Suite 21 Miami Lakes, Florida 33016

**ARTICLE 9**  
**OFFICERS**

The affairs of the Association shall be administered by the officers holding the offices designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The By-Laws may provide for the removal from office of officers, for filling vacancies and for the duties and qualifications of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President:

Jeffrey Lagomacini	14160 Palmetto Frontage Road Suite 21 Miami Lakes, Florida 33016
--------------------	--

Vice President:

Daniel Yanez	14160 Palmetto Frontage Road Suite 21 Miami Lakes, Florida 33016
--------------	--

Secretary/Treasurer:

Alexander Vega	14160 Palmetto Frontage Road Suite 21 Miami Lakes, Florida 33016
----------------	--

**ARTICLE 10**  
**DIRECTORS**

- 10.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) directors nor more than nine (9) directors. Directors need not be members of the Association. Directors must be natural persons who are 18 years of age or older. Any person who has been convicted of any felony by any court of record in the United States and who has not had his or her right to vote restored pursuant to law in the jurisdiction of his or her residence is not eligible for Board membership (provided, however, that the validity of any Board action is not affected if it is later determined that a member of the Board is ineligible for Board membership due to having been convicted of a felony).
- 10.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners when such approval is specifically required.
- 10.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.
- 10.4 Term of Developer's Directors. The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.
- 10.5 First Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have taken office, as provided in the By-Laws, are as follows:
- |                    |  |
|--------------------|--|
| Jeffrey Lagomacini | 14160 Palmetto Frontage Road<br>Suite 21<br>Miami Lakes, Florida 33016 |
| Alexander Vega     | 14160 Palmetto Frontage Road<br>Suite 21<br>Miami Lakes, Florida 33016 |
| Daniel Yanez       | 14160 Palmetto Frontage Road<br>Suite 21<br>Miami Lakes, Florida 33016 |
- 10.6 Standards. A Director shall discharge his or her duties as a director, including any duties as a member of a Committee: in good faith; with the care an ordinary prudent person in a like position would exercise under similar circumstances; and in a manner reasonably believed to be in the best interests of the Association. Unless a Director has knowledge concerning a matter in question that makes reliance unwarranted, a Director, in discharging his or her duties, may rely on information, opinions, reports or statements, including financial statements and other data, if prepared or presented by: one or more officers or employees of the Association whom the Director reasonably believes to be reasonable and competent in the manners presented; legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the persons' professional or expert competence; or a Committee of which the Director is not a member if the Director reasonably believes the Committee merits confidence. A Director is not liable for any action taken as a director, or any failure to take action, if he performed the duties of his or her office in compliance with the foregoing standards.

**ARTICLE 11**  
**INDEMNIFICATION**

- 11.1 Indemnitees. The Association shall indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of, the Association) by reason of the fact that he or she is or was a director, officer, employee or agent (each, an "Indemnatee") of the Association, against liability incurred in connection with such proceeding, including any appeal thereof, if he or she

acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

- 11.2 Indemnification. The Association shall indemnify any person, who was, will be or is a party to any proceeding, or any threat of same, by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee, or agent of the Association against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, except that no indemnification shall be made under this Article 11 in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.
- 11.3 Indemnification for Expenses. To the extent that a director, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any proceeding referred to in subsection 11.1 or 11.2, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses actually and reasonably incurred by him or her in connection therewith.
- 11.4 Determination of Applicability. Any indemnification under subsection 11.1 or subsection 11.2, unless pursuant to a determination by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper under the circumstances because he or she has met the applicable standard of conduct set forth in subsection 11.1 or subsection 11.2. Such determination shall be made:
- (a) By the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such proceeding;
  - (b) If such a quorum is not obtainable or, even if obtainable, by majority vote of a Committee duly designated by the Board of Directors (in which directors who are parties may participate) consisting solely of two or more Directors not at the time parties to the proceeding;
  - (c) By independent legal counsel:
    - 1. selected by the Board of Directors prescribed in paragraph 11.4(a) or the committee prescribed in paragraph 11.4(b); or
    - 2. if a quorum of the Directors cannot be obtained for paragraph 11.4(a) and the Committee cannot be designated under paragraph 11.4(b), selected by majority vote of the full Board of Directors (in which Directors who are parties may participate); or
  - (d) By a majority of the voting interests of the members of the Association who were not parties to such proceeding.
- 11.5 Determination Regarding Expenses. Evaluation of the reasonableness of expenses and authorization of indemnification shall be made in the same manner as the determination that indemnification is permissible. However, if the determination of permissibility is made by independent legal counsel, persons specified by paragraph 11.4(c) shall evaluate the reasonableness of expenses and may authorize indemnification.
- 11.6 Advancing Expenses. Expenses incurred by an officer or director in defending a civil or criminal proceeding, or any threat of same, may be paid by the Association in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such director or

officer to repay such amount if he is ultimately found not to be entitled to indemnification by the Association pursuant to this section. Expenses incurred by other employees and agents may be paid in advance upon such terms or conditions that the Board of Directors deems appropriate.

- 11.7 Exclusivity; Exclusions. The indemnification and advancement of expenses provided pursuant to this section are not exclusive, and the Association may make any other or further indemnification or advancement of expenses of any of its directors, officers, employees, or agents, under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. However, indemnification or advancement of expenses shall not be made to or on behalf of any director, officer, employee, or agent if a judgment or other final adjudication establishes that his or her actions, or omissions to act, were material to the cause of action so adjudicated and constitute:
- (a) A violation of the criminal law, unless the director, officer, employee, or agent had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe his or her conduct was unlawful;
  - (b) A transaction from which the director, officer, employee, or agent derived an improper personal benefit; or
  - (c) Willful misconduct or a conscious disregard for the best interests of the Association in a proceeding by or in the right of the Association to procure a judgment in its favor or in a proceeding by or in the right of the members of the Association.
- 11.8 Continuing Effect. Indemnification and advancement of expenses as provided in this Article 11 shall continue as, unless otherwise provided when authorized or ratified, to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person, unless otherwise provided when authorized or ratified.
- 11.9 Application to Court. Notwithstanding the failure of the Association to provide indemnification, and despite any contrary determination of the Board or of the members in the specific case, a director, officer, employee, or agent of the Association who is or was a party to a proceeding may apply for indemnification or advancement of expenses, or both, to the court conducting the proceeding, to the circuit court, or to another court of competent jurisdiction. On receipt of an application, the court, after giving any notice that it considers necessary, may order indemnification and advancement of expenses, including expenses incurred in seeking court-ordered indemnification or advancement of expenses, if it determines that:
- (a) The director, officer, employee, or agent is entitled to mandatory indemnification under subsection 11.3, in which case the court shall also order the Association to pay the director reasonable expenses incurred in obtaining court-ordered indemnification or advancement of expenses;
  - (b) The director, officer, employee, or agent is entitled to indemnification or advancement of expenses, or both, by virtue of the exercise by the Association of its power pursuant to subsection 11.7; or
  - (c) The director, officer, employee, or agent is fairly and reasonably entitled to indemnification or advancement of expenses, or both, in view of all the relevant circumstances, regardless of whether such person met the standard of conduct set forth in subsection 11.1, subsection 11.2, or subsection 11.7 unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he or she did not act in good faith or acted in a manner he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe his or her conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner which he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe that his or her conduct was unlawful.
- 11.10 Definitions. For purposes of this Article 11, the term "expenses" shall be deemed to include attorneys' fees and related "out-of-pocket" expenses, including those for any appeals; the term



"liability" shall be deemed to include obligations to pay a judgment, settlement, penalty, fine, and expenses actually and reasonably incurred with respect to a proceeding; the term "proceeding" shall be deemed to include any threatened, pending, or completed action, suit, or other type of proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal; and the term "agent" shall be deemed to include a volunteer; the term "serving at the request of the Association" shall be deemed to include any service as a director, officer, employee or agent of the Association that imposes duties on, and which are accepted by, such persons.

- 11.11 Effect. The indemnification provided by this Article 11 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any applicable law, agreement, vote of members or otherwise.
11. Amendment. Anything to the contrary herein notwithstanding, no amendment to the provisions of this Article 11 shall be applicable as to any party eligible for indemnification hereunder who has not given his or her prior written consent to such amendment.

## **ARTICLE 12** **BY-LAWS**

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the By-Laws and the Declaration.

## **ARTICLE 13** **AMENDMENTS**

Amendments to these Articles shall be proposed and adopted in the following manner:

- 13.1 Notice. Notice of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered and shall be otherwise given in the time and manner provided in Chapter 617, Florida Statutes. Such notice shall contain the proposed amendment or a summary of the changes to be affected thereby.
- 13.2 Adoption. Amendments shall be proposed and adopted in the manner provided in Chapter 617, Florida Statutes and in the Act (the latter to control over the former to the extent provided for in the Act).
- 13.3 Limitation. No amendment shall make any changes in the qualifications for membership, nor in the voting rights or property rights of members, nor any changes in subsections 5.3, 5.4 or 5.5, without the approval in writing of all members and the joinder of all record owners of mortgages upon Units. No amendment shall be made that is in conflict with the Act, the Declaration or the By-Laws, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer and/or Institutional First Mortgagees, unless the Developer and/or the Institutional First Mortgagees, as applicable, shall join in the execution of the amendment. No amendment to this paragraph 13.3 shall be effective.
- 13.4 Developer Amendments. Notwithstanding anything herein contained to the contrary, to the extent lawful, the Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone.
- 13.5 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the public records of Palm Beach County, Florida with an identification on the first page thereof of the book and page of said public records where the Declaration was recorded which contains, as an exhibit, the initial recording of these Articles.

**ARTICLE 14**  
**INITIAL REGISTERED OFFICE;**  
**ADDRESS AND NAME OF REGISTERED AGENT**

The initial registered office of this corporation shall be at 14160 Palmetto Frontage Road, Suite 21, Miami Lakes, Florida 33016 with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be Alexander Vega.

IN WITNESS WHEREOF, the Incorporator has affixed his signature this \_\_\_\_ day of \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Alexander Vega, Incorporator

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

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

First -- That desiring to organize under the laws of the State of Florida with its principal office, as indicated in the foregoing articles of incorporation, in the County of Miami-Dade, State of Florida, the Association named in the said articles has named Alexander Vega, located at 14160 Palmetto Frontage Road, Suite 21, Miami Lakes, Florida 33016 as its statutory registered agent.

Having been named the statutory agent of said Association at the place designated in this certificate, I am familiar with the obligations of that position, and hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.

\_\_\_\_\_  
Alexander Vega, Registered Agent

DATED this \_\_\_\_ day of \_\_\_\_\_, 200\_\_.



**EXHIBIT "6"**

**EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**

**GUARANTEED ASSESSMENT AMOUNTS**

Unit Type	Monthly Fee	Annual Fee
Unit Type "A 1"	\$180.11	\$2,161.34
Unit Type "A 2"	\$179.16	\$2,149.96
Unit Type "A 3"	\$187.70	\$2,252.34
Unit Type "A 4"	\$180.11	\$2,161.34
Unit Type "B1" and "B2"	\$219.45	\$2,633.42
Unit Type "C1" and "C2"	\$250.97	\$3,011.65
Unit Type "C 3"	\$260.69	\$3,128.25
Unit Type "C 4"	\$250.97	\$3,011.65
Unit Type "D"	\$308.09	\$3,697.02

NOTE: FOR A DESCRIPTION OF UNITS BY UNIT TYPE, SEE EXHIBIT "2" TO THE DECLARATION OF CONDOMINIUM.

Exhibit "B"

EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.  
Estimated Operating Budget  
January 1, 2004 - December 31, 2004  
355 Units

<u>EXPENSES:</u>	<u>MONTHLY</u>	<u>ANNUAL</u>
Administration	N/A	N/A
Management	\$3,550.00	\$42,600.00
Administrative Cost		
Telephone	\$650.00	\$7,800.00
Office Supplies/Expenses	\$550.00	\$6,600.00
Uniforms	N/A	N/A
Maintenance		
Maintenance Payroll	\$7,000.00	\$84,000.00
Gate Maintenance	\$800.00	\$9,600.00
Building Supplies	\$200.00	\$2,400.00
Lake Maintenance	\$900.00	\$10,800.00
Grounds Keeper	\$1,440.00	\$17,280.00
Pool Services	\$1,100.00	\$13,200.00
Pest Control	\$710.00	\$8,520.00
Insurance (Master Policy)	\$23,666.67	\$284,000.00
Utilities		
Water and Sewer (Common Areas)	\$1,680.00	\$20,160.00
Water and Sewer (Collection Fee & Res	\$2,840.00	\$34,080.00
Refuse Removal	\$3,100.00	\$37,200.00
DSL/ DirecTV/ Alarm Monitoring	\$24,850.00	\$298,200.00
Electricity	\$5,500.00	\$66,000.00
Operating Capital	\$443.75	\$5,325.00
Landscaping	\$4,200.00	\$50,400.00
Fee Payable to the Division	\$118.33	\$1,420.00
Rent for Recreational and Other		
Commonly Used Facilities	N/A	N/A
Taxes on Association Property	N/A	N/A
Taxes on Leased Areas	N/A	N/A
Security & Alarm Provisions	N/A	N/A
Other Expenses	N/A	N/A
<b>TOTAL BUDGET WITHOUT RESERVES</b>	<b>\$83,298.75</b>	<b>\$999,585.00</b>
Reserves	\$2,511.06	\$30,132.75
I. Re-roof Replacement	\$1,005.58	\$12,066.96
II. Building Exterior Paint	\$1,479.17	\$17,750.00
III. Pavement Resurface	\$26.32	\$315.79
<b>TOTAL BUDGET WITH RESERVES</b>	<b>\$85,809.81</b>	<b>\$1,029,717.75</b>

EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.

RESERVE DETAIL

<u>RESERVES</u>	<u>TOTAL ESTIMATED USEFUL LIFE IN YEARS</u>	<u>ESTIMATED REMAINING USEFUL LIFE IN YEARS</u>	<u>COST REPLACEMENT</u>	<u>ANNUAL RESERVE</u>	<u>MONTHLY RESERVE</u>	<u>BALANCE BEGINNING OF RESERVE ACCOUNT</u>
Re-roof Replacement	40	28	\$337,875.00	\$12,066.96	\$1,005.58	\$0.00
Exterior Painting	15	15	\$266,250.00	\$17,750.00	\$1,479.17	\$0.00
Pavement Resurface	40	38	\$12,000.00	\$315.79	\$26.32	\$0.00
<b>TOTAL</b>				<b>\$30,132.75</b>	<b>\$2,511.06</b>	<b>\$0.00</b>

EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.

ALLOCATION OF ASSESSMENTS

Unit Type	Monthly Fee without Reserves	Annual Fee without Reserves	Monthly Fee with Reserves	Annual Fee with Reserves
Unit Type "A 1"	\$174.84	\$2,098.09	\$180.11	\$2,161.34
Unit Type "A 2"	\$173.92	\$2,087.05	\$179.16	\$2,149.96
Unit Type "A 3"	\$182.20	\$2,186.43	\$187.70	\$2,252.34
Unit Type "A 4"	\$174.84	\$2,098.09	\$180.11	\$2,161.34
Unit Type "B1" and "B2"	\$213.03	\$2,556.36	\$219.45	\$2,633.42
Unit Type "C1" and "C2"	\$243.63	\$2,923.52	\$250.97	\$3,011.65
Unit Type "C 3"	\$253.06	\$3,036.71	\$260.69	\$3,128.25
Unit Type "C 4"	\$243.63	\$2,923.52	\$250.97	\$3,011.65
Unit Type "D"	\$299.07	\$3,588.84	\$308.09	\$3,697.02

NOTES TO ESTIMATED OPERATING BUDGET:

1. Please note that in addition to the amounts payable to the Condominium Association, each Unit Owner shall be obligated to pay, as a direct expense, assessments to the Neighborhood Association and Master Association. Presently, the Neighborhood Association, which is not controlled by Developer, has not been assessing, nor has it prepared a budget. Presently, the Master Association, which is not controlled by Developer, is assessing at the rate of \$3.20 per unit per year.
2. For a description of Units by Unit Type, see Exhibit "2" to the Declaration of Condominium.



Exhibit "C"

**EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM  
PURCHASE AGREEMENT**

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

In this Agreement, the term "Buyer" and/or "Purchaser" means or refers to the buyer or buyers listed below who have signed this Agreement. The word "Seller" and/or "Developer" means or refers to **San Marino 355, LLC**, a Florida limited liability company, and its successors and/or assigns. If the first letter of a word is capitalized in this Agreement, that word will have the meaning given to it in this Agreement or, if no definition of such word is given in this Agreement, then in the Declaration (as defined in Section 1 of this Agreement).

---

---

Buyer(s):	_____	_____
Address:	_____	_____
City:	_____	State: _____
Country:	_____	Zip Code: _____
Home Phone:	_____	Office Phone: _____
Tax I.D. No.:	_____	Fax No. _____
Email:	_____	Cellular No. _____

---

---

1. Purchase and Sale. Buyer agrees to buy, and Seller agrees to sell (on the terms and conditions contained in this Agreement), Unit \_\_\_\_\_, (the "Unit") in the proposed **EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM** (the "Condominium"). The Unit and the Condominium are described in greater detail in this Agreement and the proposed Declaration of Condominium (the "Declaration") included in the Prospectus and attached exhibits (the "Condominium Documents"). Buyer acknowledges receipt of the Condominium Documents and all documents required by Section 718.503, Florida Statutes, to be furnished by a developer to a buyer, on or before the date of this Agreement. The foregoing statement shall not be in lieu of the execution of a Receipt for Condominium Documents.

The total purchase price for the Unit is \$ \_\_\_\_\_ (the "Purchase Price").

2. Payment of the Purchase Price. Buyer agrees to make the following payments against the Purchase Price:

<u>Payment</u>	<u>Due Date</u>	<u>Amount</u>
Initial Deposit	Upon execution of Agreement	\$ _____
Additional Deposit	_____	\$ _____
Balance	At Closing	\$ _____

Deposits may be made by personal check (subject to clearance), cashier's check or wire. **The balance due at closing must be paid by either cashier's check or by wire transfer of federal funds.** All payments must be made in United States funds and all checks must be payable on a bank located in the Continental United States. Even though Seller is not obligated to do so, if Seller accepts a deposit from Buyer by credit card and/or drawn on a foreign bank and/or payable in a currency other than U.S. currency, Buyer shall be solely responsible for all costs of collection and/or conversion and agrees to pay same to Seller promptly upon demand or, in Seller's sole and absolute discretion, Seller may permit such costs to be charged to Buyer at the time of closing. If Buyer fails to pay any deposit on time, and Seller agrees to accept it on a later date (which Seller is not obligated to do), Buyer will pay a late funding charge equal to Fifty and No/100 Dollars (\$50.00) per day for each day from the date due until the date received and cleared by Seller.

Buyer also agrees to pay all costs and other sums required to be paid by Buyer in this Agreement. These charges are explained in detail in Section 12 below.

THE UNIT HAS BEEN PREVIOUSLY OCCUPIED. At closing, the Unit shall be conveyed (INITIAL ONLY ONE):

\_\_\_\_\_ free and clear of all tenancies and possessory rights, and as such, Seller shall convey exclusive possession of the Unit at closing; or

\_\_\_\_\_ to the extent that a lease of the Unit is still in place at the time of closing, subject to the terms of a lease, a true and correct copy of which is attached hereto. Accordingly, at closing, provided that a lease of the Unit is still in place, Seller shall assign to Buyer, without recourse, Seller's interest in the lease and transfer to Buyer any security deposit from tenant in Seller's possession. Rents for the month of closing shall be prorated and title to the Unit shall be delivered subject to the rights of possession of the tenant under the lease (provided same is still in place at the time of closing). Buyer understands and agrees that, pursuant to the provisions of the Florida Condominium Act, the tenant under the lease may have a right to terminate the lease prior to the expiration of the term. Accordingly, there is no assurance that the tenant will remain in the Unit through closing or thereafter through the balance of the term of the lease, and Buyer hereby releases Seller from any and all liability resulting from same.

Subject to the provisions of Section 10 of this Agreement, closing on the purchase and sale of the Unit is estimated to occur on \_\_\_\_\_. Closing shall be held at Hemisphere Title, located at 6175 N.W. 153rd Street, Suite 308, Miami Lakes, Florida 33014, or at such other location as may be designated by Seller.

3. How Buyer Pays. Buyer understands and agrees that Buyer will be obligated to pay "all cash" at closing. Except only as otherwise provided in the third paragraph of Section 12 of this Agreement, this Agreement and Buyer's obligations under this Agreement to purchase the Unit will not depend on whether or not Buyer qualifies for or obtains a mortgage from any lender. Buyer will be solely responsible for making Buyer's own financial arrangements. Seller agrees, however, to cooperate with any lender Buyer chooses and to coordinate closing with such lender, if, but only if, such lender meets the Seller's closing schedule and pays Seller the proceeds of its mortgage at closing. In the event that lender does not pay Seller these proceeds at closing in immediately cleared funds, and if Seller allows same (which it is not obligated to do), Buyer will not be allowed to take possession of the Unit until Seller actually receives the funds and they have cleared. Notwithstanding any cooperation provided by Seller, nothing herein shall be deemed to qualify or otherwise condition Buyer's obligation to close "all cash" on the purchase of the Unit.

Although Seller does not have to do so, if Seller agrees to delay closing until Buyer's lender is ready, or to wait for funding from Buyer's lender until after closing, or to accept a portion of the sums due at closing in the form of a personal check, Buyer agrees to pay Seller a late funding charge equal to Fifty and No/100 Dollars (\$50.00) per day for each day from the date Seller originally scheduled closing to the date of actual payment (and, with regard to personal checks, to the date of final clearance). This late funding charge may be estimated and charged by Seller at closing. Seller's estimate will be adjusted after closing based on actual funding and clearance dates upon either Seller's or Buyer's written request. The foregoing Section will survive (continue to be effective after) closing.

4. Deposits. Inasmuch as construction of the improvements has been substantially completed in accordance with the requirements of Section 718.202, Florida Statutes, Seller is not required to hold Buyer's deposits in escrow. Buyer understands and agrees that Seller is not required to hold Buyer's deposits in escrow and that Seller may use Buyer's deposits prior to closing for any purposes whatsoever. Except where expressly provided herein to the contrary or otherwise required by law, all interest earned on Buyer's deposits shall accrue solely to the benefit of Seller, and shall not be credited against the purchase price of the Unit. No interest will be assumed to be earned, unless in fact said sums are invested in an interest bearing account and do in fact earn interest. Buyer understands and agrees that Seller has no obligation to place the deposits in an interest-bearing account, and that if Seller uses Buyer's deposits, then same will not be invested and as such will not earn interest.

5. Seller's Financing. Seller may borrow money from lenders for the acquisition, construction, renovation and/or conversion of the Condominium. Buyer agrees that any lender advancing funds for Seller's use in connection with the Condominium will have a prior mortgage on the Unit and the Condominium until closing. At closing, Seller shall cause the then applicable mortgages to be released and may use Buyer's closing proceeds for such purpose. Neither this Agreement, nor Buyer's payment of deposits, will give Buyer any lien or claim against the Unit, the Condominium or the real property upon which the Condominium is being developed. Without limiting the generality of the foregoing, Buyer's rights under this Agreement will be subordinate to all mortgages (and all modifications made to those mortgages) affecting the Unit or the Condominium (or the real property upon which the Condominium is being developed) even if those mortgages (or modifications) are made or recorded after the date of this Agreement.

6. Energy Efficiency. To the extent required by applicable law, each buyer may have the Condominium building's energy efficiency rating determined. In accordance with the provisions of applicable law, upon the completion and certification of an energy performance level display card for the Condominium building, such card shall be forwarded to the Buyer and deemed incorporated in this Agreement. Buyer acknowledges receipt of the Department of Community Affairs' brochure regarding energy efficiency ratings.

7. Existing Improvements and Other Matters. Buyer understands and agrees that the Condominium is a conversion of a previously existing rental apartment complex which was not constructed by Seller and accordingly that the Condominium is not new construction. Buyer acknowledges having received a copy of the conversion inspection report included in the Prospectus which discloses the condition of various components of the Condominium. Additionally, Buyer has received a copy of a termite inspection report prepared by a Florida licensed pest operator. These reports disclose, among other things, a discussion on the current condition of the Condominium and many of its mechanical and structural components. Because the Unit and the Condominium are substantially complete as of the date Buyer signs this Purchase Agreement, Buyer acknowledges and agrees that Buyer has inspected the Unit and the Condominium and has had the opportunity to examine such plans and specifications as Seller has obtained (including all changes thereto to date) for the Unit and Condominium, all of which are located in Seller's offices and available for inspection during regular business hours or by appointment and, by signing this Purchase Agreement, Buyer agrees to accept the Unit and the Condominium in their "AS IS, WHERE-IS" condition, subject to the provisions of paragraph 28 below. This means that Buyer has no claim against Seller for any matters Buyer discovered (or should have discovered) when Buyer inspected or had the opportunity to inspect) the Unit and Condominium (and the plans, specifications and changes therefor) and/or for any of the matters disclosed in the reports attached to the Prospectus. Without limiting the generality of the foregoing, Buyer acknowledges that Seller has requested Buyer to inspect the condition of the Unit, generally, and at that time also to make Buyer's own specific determinations as to the area and dimensions of the Unit and its Limited Common Elements, if any. If any previous inspection did not include an examination of such general conditions or these areas and dimensions, Buyer agrees to make such inspection and examination within fifteen (15) days following the date Buyer signs this Purchase Agreement (that is, during the period in which Buyer may cancel this Purchase Agreement for any reason at all). If, within this time, Buyer conducts such inspection as permitted by the foregoing sentence, and does not cancel this Purchase Agreement, or if Buyer does not make this specific inspection at all, Buyer will be deemed to have accepted the Unit and its Limited Common Elements without reservations or claims as to their general condition, area, dimensions, ceiling heights or otherwise.

Buyer hereby acknowledges and agrees that sound and/or odor transmission in a multi-story building such as the Condominium is very difficult to control, and that noises and/or odors from adjoining or nearby Units and or mechanical equipment can often be detected in other Units. Without limiting the generality of Section 28, Seller does not make any representation or warranty as to the level of sound and/or odor transmission between and among Units and the other portions of the Condominium Property, and Buyer hereby waives and expressly releases any such warranty and claim for loss or damages resulting from sound and/or odor transmission. Lastly, Buyer understands and agrees that there are various methods for calculating the square footage of a Unit, and that depending on the method of calculation, the quoted square footage of the Unit may vary by more than a nominal amount. Accordingly, during the pre-closing inspection, Buyer should, among other things, review the size and dimensions of the Unit. By closing, Buyer shall be deemed to have conclusively agreed to accept the size and dimensions of the Unit, regardless of any variances in the square footage from that which may have been disclosed to Buyer at any time prior to closing, whether included as part of the Condominium Documents, Seller's promotional materials or otherwise. Without limiting the generality of any other provision of this Agreement, Seller does not make any representation or warranty as to the actual size, dimensions or square footage of the Unit, and Buyer hereby waives and expressly releases any such warranty and claim for loss or damages resulting from any variances between any represented or otherwise disclosed square footage and the actual square footage.

The provisions of this paragraph 7 will survive (continue to be effective after) closing. Nothing in this paragraph 7 shall affect Buyer's rights, if any, under Florida Statutes, Section 718.618.

8. Certain Items and Materials. Buyer understands and agrees that there are no appliances, furnishings, finishings or items of personal property included with the Unit, except only for the following (all of which are not new and have previously been used: refrigerator, electric range, water heater and those floor, wall and window treatments presently installed in the Unit. Buyer further understands and agrees that items which may be seen in models (if any) or in illustrations, are not included with the sale of the Unit (unless presently in the Unit and identified as included in an addendum or Rider to this Purchase Agreement signed by Seller).

Buyer further understands and agrees that certain items, if included with the Unit or displayed in models, such as tile, cabinets, wood, stain, grout, wall and ceiling textures, granite, marble, stone, mica and carpeting, are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturer from those shown in the models or in illustrations or included in Seller's Plans and Specifications or in the published list of standard items (if any). If circumstances arise which, in Seller's opinion, warrant changes of suppliers, manufacturers, brand names or items, or if Seller elects to omit certain items, Seller may modify the list of standard features or make substitutions for equipment, material, appliances, etc., with items which in Seller's opinion are of equal or better quality (regardless of cost). Buyer also understands and

acknowledges that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor (if any). Buyer recognizes that certain colors as shown in displays or in the models, including, but not limited to, cabinetry, carpeting and wood stain, will weather and fade and may not be duplicated precisely.

If Seller allows Buyer to select certain colors and/or materials in the Unit (which Seller is not obligated to do), Buyer understands and agrees that Buyer must submit Buyer's selections to Seller in writing within fourteen (14) days after the date the list of selections (if any) is made available to Buyer. If these selections (if any) are not delivered to Seller in writing within the time period stated above, then it is agreed and understood that the choices will be made by Seller in Seller's sole discretion.

The agreements and waivers of Buyer contained in this paragraph will survive (continue to be effective after) closing.

9. Inspection Prior to Closing. Buyer will be given an opportunity prior to closing, on the date and at the time scheduled by Seller, to inspect the Unit with Seller's representative. At that time, Buyer will sign an inspection statement listing any changes in the Unit which Buyer reasonably believes occurred between the date of this Agreement and the date of the inspection, reasonable wear and tear excluded. If the condition of the Unit has changed in Seller's reasonable opinion, Seller will be obligated to correct those items at its cost within a reasonable period of time after closing, but Seller's obligation to correct will not be grounds for deferring the closing, nor for imposing any condition on closing. **No escrows or holdbacks of closing funds will be permitted.** If Buyer fails to take advantage of the right to a pre-closing inspection on the date and time scheduled, Seller will not be obligated to reschedule an inspection prior to closing and Buyer shall be deemed to have accepted the Unit in its AS-IS condition.

Buyer acknowledges that all matters pertaining to the Unit prior to closing will be handled by Seller and Seller's representatives. Buyer agrees not to interfere with or interrupt any workers at the site of the Unit. No personal inspections (other than during the initial 15 day period following Buyer's execution of this Agreement and the one pre-closing inspection) will be permitted. Buyer may not commence any work on the Unit until after closing. Buyer recognizes that Seller is not obligated to agree to provide extras or options.

Buyer can examine Seller's Plans and Specifications at Seller's business office, located on site during regular business hours by making an appointment to do so in advance.

10. Closing Date. Subject to the provisions hereof, closing on the purchase and sale of the Unit will occur on or about the date indicated in Section 2 of this Agreement; however, Buyer acknowledges and agrees that this estimate is given to Buyer for convenience only and is subject to change from time to time by Seller for any reason and without creating any liability of Seller to Buyer. Buyer understands that Seller has the right to schedule the exact date, time and place for closing on not less than ten (10) days prior written notice to Buyer. Before Seller may require Buyer to close, however, Seller must record the Declaration and related documents in the public records of the County. Seller is hereby authorized by Buyer to postpone the closing for any reason (on not less than three (3) days prior written notice to Buyer) and Buyer will close on the new date, time and place specified by Seller.

If Seller agrees in writing to reschedule closing at Buyer's request, or if Buyer is a corporation or other entity and Buyer fails to produce the necessary documentation Seller requests and, as a result, closing is delayed, or if closing is delayed for any other reason (except for a delay desired, requested or caused by Seller), then, whether or not Buyer is actually in default as a result of such delay, Buyer agrees to pay at closing a late funding charge equal to Fifty and No/100 Dollars (\$50.00) per day for each day from the date Seller originally scheduled closing to the date of actual closing. All prorations will be made as of the originally scheduled date. **Buyer understands that Seller is not required to reschedule or to permit a delay in closing at Buyer's request.**

11. Closing. The term "closing" refers to the time when Seller delivers the deed to the Unit to Buyer and ownership changes hands. Buyer's ownership is referred to as "title". Seller promises that the title Buyer will receive at closing will be good, marketable and insurable (subject to the permitted exceptions listed or referred to below). Notwithstanding that Buyer is obligated to pay "all-cash" hereunder, in the event that Buyer obtains a loan for any portion of the Purchase Price, Buyer shall have the right to obtain a title insurance commitment and policy for the Unit from its own sources rather than to receive same from Seller, or Buyer may elect to have Seller's closing agent issue the title insurance commitment and policy, in accordance with terms set forth in Section 12 below.

In the event that Buyer elects to obtain a title insurance commitment and policy for the Unit from its own sources rather than to receive same from Seller, (i) Buyer shall provide Seller with written notice of same five (5) business days prior to the originally scheduled closing date, (ii) Seller shall have no obligation to provide a title insurance commitment or policy, or any other evidence of title to Buyer and (iii) Buyer shall, no later than five (5) business days prior to closing (the "Objection Deadline"), notify Seller in writing if title is not in the condition required by this Agreement and specify in detail any defect (i.e., any matters which make title other than in the condition pursuant to which same is required to be conveyed to Buyer), provided that if Buyer fails to give Seller written notice of defect(s) before the expiration of the Objection Deadline, the defects shall, anything in this Agreement notwithstanding, be deemed to be waived as title objections to closing this transaction and Seller shall be under no obligation whatsoever to take any corrective action with respect to same, and title to the Unit shall be conveyed subject to same.

Buyer will receive two (2) documents at closing which Buyer agrees to accept as proof that Buyer's title is as represented above:

- (a) A written commitment, whether provided by Seller's closing agent or otherwise, from a title insurance company licensed in Florida agreeing to issue a policy insuring title or the policy itself. This commitment (or policy) will list any exceptions to title. Permitted exceptions (exceptions which Buyer agrees to take title subject to) are:
- (i) Liability for all taxes or assessments affecting the Unit starting the year Buyer receives title and continuing thereafter;
  - (ii) All laws, and all restrictions, covenants, conditions, limitations, agreements, reservations and easements now or hereafter recorded in the public records, which may include, without limitation, zoning restrictions, property use limitations and obligations, easements (rights-of-way) and agreements relating to telephone lines, water and sewer lines and other utilities, provided, however, that none of such matters shall impair the marketability of title;
  - (iii) The restrictions, covenants, conditions, easements, terms and other provisions imposed by the documents contained or referred to in the Condominium Documents (and any other documents which Seller, in its sole discretion, believes to be necessary or appropriate) which are recorded, now or at any time after the date of this Agreement, in the public records;
  - (iv) Restrictions, covenants, conditions, easements, terms and other provisions contained in the Declaration of Covenants and Restrictions for the Lakes of Laguna dated April 21, 1997 and recorded April 30, 1997 in Official Records Book 9770, at Page 849 of the Public Records of the County, as amended and supplemented from time to time and/or in the Articles of Incorporation, By-Laws and/or Rules and Regulations of Laguna Master Association, Inc., a Florida corporation not for profit (the "Master Association");
  - (v) Restrictions, covenants, conditions, easements, terms and other provisions contained in the Neighborhood Covenants for Laguna II Neighborhood Association, Inc. dated December 21, 2001 and recorded January 17, 2002 in Official Records Book 13321, at Page 956 of the Public Records of the County, as amended and supplemented from time to time and/or in the Articles of Incorporation, By-Laws and/or Rules and Regulations of Laguna II Neighborhood Association, Inc., a Florida corporation not for profit (the "Neighborhood Association");
  - (iv) The restrictions, covenants, conditions, easements, terms and other provisions imposed by the Sharing Agreement;
  - (v) if in Section 1 of this Agreement it is indicated that Buyer is acquiring the Unit subject to the terms of a lease, then title shall be subject to the rights of the tenant thereunder;
  - (vi) Rights of ingress and egress over and across any and all roads and/or sidewalks contained within the Condominium Property;
  - (vii) Pending governmental liens for public purposes as of closing (Seller will be responsible, however, for certified governmental liens as of closing; provided, however, that to the extent that any such certified liens are payable in installments, Seller shall only be responsible for those installments due prior to closing, and Buyer hereby assumes all installments coming due after closing);
  - (viii) All standard printed exceptions contained in an ALTA Owner's title insurance policy issued in Palm Beach County, Florida;
  - (ix) Any matters not listed above as long as affirmative title insurance is given for these matters and same do not render title unmarketable or uninsurable.
- Buyer understands, however, that no limitation on Buyer's title prohibits the use of the Unit as a residence, subject to the Condominium Documents.
- (c) A Special Warranty Deed. At closing, Seller promises to give Buyer a special warranty deed to the Unit. The special warranty deed will be subject to (that is, contain exceptions for) all of the matters described above.

Buyer will also receive at closing a bill of sale for any appliances included in the Unit and Seller's form of owner's ("no lien") affidavit, closing agreement, and FIRPTA (non-foreign) affidavit. When Buyer receives the special

warranty deed at closing, Buyer will sign Seller's closing agreement, a settlement statement and all papers that Seller deems reasonably necessary or appropriate for transactions of this nature.

If Seller cannot provide the quality of title described above, Seller will have a reasonable period of time (at least sixty (60) days) to correct any defects in title. If Seller cannot, after making reasonable efforts to do so (which shall not require the bringing of lawsuits or the payment or satisfaction of involuntary liens or judgments) correct the title defects, Buyer will have two options:

- a. Buyer can accept title in the condition Seller offers it (with defects) and pay the full purchase price for the Unit with exceptions for such title matters to be contained in the special warranty deed for the Unit. Buyer will not make any claims against Seller because of the defects; or
- b. Buyer can cancel this Agreement and receive a full refund of Buyer's deposits. Seller will be relieved of all obligations under this Agreement (and otherwise) when Seller refunds the deposits to Buyer.

At the same time Buyer receives the special warranty deed, Buyer agrees to pay the balance of the purchase price and any additional amounts owed under this Agreement. Seller has no obligation to accept funds other than as set forth in Section 2 above. Until all sums have been received and cleared, Seller will be entitled to a vendor's lien on the Unit (which Buyer agrees Seller may unilaterally record in the Public Records of the County). This Section shall survive closing.

12. Costs and Fees. Buyer understands and agrees that, in addition to the purchase price for the Unit, Buyer must pay certain other fees, costs or other sums when the title is delivered to Buyer at closing. These include:

- (a) A "development fee" equal to two and one half percent (2½%) of the Purchase Price (and of any charges for options or extras now or hereafter contracted for which are not included in the Purchase Price). This fee will be used, in part, to pay for the following closing costs: (i) the costs of officially recording the deed in the Public Records of the County (presently, recording fees are \$10.00 for the first page of an instrument and \$8.50 for each additional page and under certain circumstances, the County may impose a separate indexing charge), (ii) the documentary stamp taxes payable in connection with the deed conveying the Unit to Buyer (presently, documentary stamp taxes are \$.70 for each \$100.00 of consideration), and (iii) the premium on the owner's title insurance policy, at the minimum promulgated risk rates promulgated by the Florida Insurance Commissioner (taking into account applicable reissue rates and new home credits, if any), whether obtained from Seller's closing agent, or elsewhere. The balance of the "development fee" shall be retained by Seller as additional revenue and to offset certain of its conversion and development expenses, including without limitation, certain of Seller's administration expenses and Seller's attorneys' fees in connection with conversion and development of the Condominium. Accordingly, Buyer understands and agrees that the development fee is not for payment of closing costs or settlement services (other than to the extent expressly provided above), but rather represents additional funds to Seller which are principally intended to provide additional revenue and to cover various out-of-pocket and internal costs and expenses of Seller associated with development of the Condominium. In the event of increases in either the recording fees imposed by the County, the documentary stamp tax rates or the minimum risk title insurance premiums, subsequent to the date of this Agreement, or in the event of the imposition of any surcharge or any new governmental tax or charge on deeds or conveyances, Buyer agrees to pay all such increases, surcharges or new taxes or charges, in addition to the development fee.
- (b) A working capital contribution in an amount equal to three (3) times the monthly maintenance charge owed to the Condominium Association and, to the extent required, to the Master Association and the Neighborhood Association, which charges are payable directly to the respective Associations to provide them with initial capital. These contributions will not be credited against regular assessments.
- (c) A charge of \$80.00 for access control devices applicable to the Condominium Property.
- (d) A reimbursement to Seller for any utility, cable or interactive communication deposits or hook-up fees which Seller may have advanced prior to closing for the Unit. The amount of this charge is now unknown.
- (e) The remaining balance, if any, of any charges for options or upgrading of standard items included, or to be included, in the Unit as agreed to in writing by both Buyer and Seller.
- (f) Reimbursement to Seller, and/or Seller's closing agents, for charges incurred in connection with coordinating closing with Buyer and/or Buyer's lender, including, without limitation, charges for messenger expenses, long distance telephone calls, photocopying expenses, telecopying charges and others. The amount of these charges is now unknown.



In addition, if Buyer obtains a loan for any portion of the Purchase Price, Buyer will be obligated to pay any loan fees, closing costs, escrows, appraisals, credit fees, lender's title insurance premiums, prepayments and all other expenses charged by any lender giving Buyer a mortgage, if applicable. Notwithstanding any of the references in this paragraph to Buyer obtaining a loan, nothing herein shall be deemed to make the Agreement, or the Buyer's obligations under the Agreement, conditional or contingent in any manner on the Buyer obtaining a loan to finance any portion of the Purchase Price; it being the agreement of the Buyer that the Buyer shall be obligated to close "all cash".

As set forth in Section 13 of this Agreement, Buyer may elect to seek financing for the purchase of the Unit from a mortgage broker or mortgage lender designated by Seller (a "Preferred Lender") and if in fact (i) Buyer receives a Binding Commitment (as hereinafter defined) from the Preferred Lender, (ii) Buyer is approved for a loan and closes on a loan arranged by the Preferred Lender, and (iii) Buyer allows the title insurance to be provided by Hemisphere Title (or any other title company designated by Seller, the "Designated Title Agent"), then Seller has agreed (a) to pay, on behalf of Buyer, a portion of the closing expenses (the "Closing Costs Contribution") required to be paid by Buyer under this Agreement or in connection with the loan arranged by the Preferred Lender, said Closing Costs Contribution to be equal to \_\_\_\_\_ Dollars (\$\_\_\_\_\_), and (b) the development fee shall be reduced by \_\_\_\_\_ percent (\_\_\_\_%) of the Purchase Price of the Unit. In such instance, Buyer shall be obligated for payment of any and all closing costs in excess of the Closing Costs Contribution.

Current expenses of the Unit (for example, taxes and governmental assessments, levies and/or use fees and current monthly assessments of the Association, the Master Association and the Neighborhood Association, rent and any interim services fees imposed by governmental authority) will be prorated between Buyer and Seller as of the date of closing. Additionally, at closing, Buyer shall be obligated to prepay the next month's maintenance assessment to the Association, the Master Association and the Neighborhood Association. This prepayment is in addition to Buyer's obligation to pay the working capital contribution, as described above. This prepayment is in addition to Buyer's obligation to pay the working capital contribution, as described above. If taxes for the year of closing are assessed on the Condominium as a whole, Buyer shall pay Seller, at closing, the Unit's allocable share of those taxes (as estimated by Seller and subject to reparation when the actual tax bill is available) for the Unit from the date of closing through the end of the applicable calendar year of closing. If taxes for the year of closing are assessed on a unit-by-unit basis, Buyer and Seller shall prorate taxes as of the closing date based upon the actual tax bill, if available, or an estimate by Seller, if not available, with Buyer responsible for paying the full amount of the tax bill and Seller reimbursing Buyer for Seller's prorated share of those taxes. Buyer agrees that Seller's prorated share of the taxes due as of closing need not be paid to Buyer, however, until the actual tax bill is presented to Seller, and any proration based on an estimate of the current year's taxes shall be subject to reparation upon request of either party, provided, however, that any request for reparation is made within six (6) months following the issuance of the actual tax bill for the Unit (it being assumed, for purposes hereof, that tax bills are issued on November 1 of each tax year). No request for proration beyond the six (6) month period shall be honored. In addition, Buyer shall pay, or reimburse Seller if then paid, for any interim proprietary and/or general service fees imposed by any governmental authority having jurisdiction over the Unit. This Subsection shall survive (continue to be effective after) closing.

13. Preferred Lender and Designated Title Agent Contingency. Buyer may elect to seek financing and title insurance with a Preferred Lender and a Designated Title Agent. In the event Buyer so elects, as a material inducement for Buyer's entering into this Agreement, Buyer's obligation to close on the purchase of the Unit is contingent (in the manner set forth herein) upon Buyer obtaining a Binding Commitment for a mortgage loan from a Preferred Lender for the purchase of the Unit having a principal amount of not greater than \_\_\_\_\_ percent (\_\_\_\_%) of the purchase price for the Unit.

Buyer agrees to submit the application for such mortgage loan, simultaneously to Seller and/or the Preferred Lender, within five (5) days following the date of this Agreement (the "Application Date"). Buyer understands that this application must be fully completed and signed before it is submitted and that all information on it must be truthful. Buyer will then use his or her best efforts to obtain the loan (including, without limitation, truthfully and accurately completing the mortgage application and fully cooperating with any and all requests of the proposed lender and/or Seller). In the event that Buyer does not submit an application to both Seller and the Preferred Lender within said five (5) day period, the mortgage financing contingency provided herein shall be deemed waived and Buyer shall be obligated to close "all cash". Any assistance by Seller thereafter to get mortgage financing for Buyer from an outside party shall not be deemed a waiver by Seller of the requirement that Buyer close on the purchase of the Unit "all cash."

For purposes of this Agreement, the term "Binding Commitment" means a commitment by a Preferred Lender, including Seller, to make the loan, for an interest rate and "points" at or near the prevailing rates for similar loans as of closing and shall be deemed a Binding Commitment notwithstanding the fact that it may be subject to matters such as no adverse change in Buyer's financial condition, the sale or lease of real estate or other assets owned by Buyer, satisfying any judgments, delinquencies or liens against Buyer, and other conditions or contingencies. Once a Binding Commitment is issued, the mortgage financing contingency will be deemed met and the purchase and sale of the Unit will proceed on an "all cash" basis; provided, however, that the contingency will not be deemed fulfilled if a condition in the Binding Commitment as to an appraisal of the Unit satisfactory to the lender and/or title acceptable to it are not met.

If Buyer does not, after making good faith efforts, receive a Binding Commitment for the loan from the Preferred Lender or from Seller within fifteen (15) days following the Application Date and Buyer so notifies Seller in writing within two (2) days following the earlier of: (i) a denial of the loan from the Preferred Lender, or (ii) the expiration of the fifteen (15) day period, then Seller will have the option to: (i) extend the fifteen (15) day period for a time reasonably necessary to enable Buyer to obtain the Binding Commitment, (ii) require Buyer to apply to another potential lender, which may be designated by Seller (still subject to the requirements of this Rider, with all time periods to re-start), (iii) make the loan to Buyer itself, for an interest rate and "points" at or near the Prevailing Rates (as hereinafter defined) as of closing, or (iv) cancel the Purchase Agreement and cause Buyer's deposits to be refunded. If the Purchase Agreement is so cancelled, Buyer and Seller will be automatically released from all obligations and liabilities under and in connection with the Purchase Agreement, except only for those obligation which are intended to survive a termination of the Purchase Agreement. If Buyer does not give Seller timely notice as aforesaid of his or her failure to receive a Binding Commitment, then the contingency of this Section 13 shall be deemed waived by Buyer and the closing shall proceed on an "all cash" basis. For purposes hereof, the "Prevailing Rates" shall be deemed to be a combination of points and interest rates generally available in Palm Beach County for an applicant with the financial strength and credit history of Buyer at the time the loan commitment is issued. Buyer recognizes and agrees that commonly published rates of lending institutions typically require a superior credit history and solid balance sheet. Buyer understands and agrees that the rates and points available to applicants with less than a superior credit history and solid balance sheet are often higher than the published rates. For purposes hereof, "at or near" Prevailing Rates shall be deemed to be within two percentage points (2.0%) above the Prevailing Rates.

If a married person will own title to the Unit without his or her spouse, Buyer understands that the spouse still must attend the closing in order to sign the necessary mortgage papers, if required by the party issuing the Binding Commitment or its title insurer. If a corporation is to own the Unit, then Buyer must furnish to the party issuing the Binding Commitment lender and its title insurer (with copies to Seller) the following, not less than ten (10) days prior to closing or sooner, if required by the party issuing the Binding Commitment or the title insurer:

- (a) Certified copies of the Articles of Incorporation and By-Laws of the corporation (including all amendments thereto).
- (b) An original certificate issued by the State or Country of incorporation verifying that the corporation is in existence and in good standing (the certificate must be dated within 30 days of the closing or telecopy updates must be provided).
- (c) A certified copy of a resolution of the board of directors (or of the managing directors) of the corporation authorizing the purchase and mortgage loan transaction and empowering the person or persons attending the closing to sign and seal all documents relating to the purchase and the mortgage loan on behalf of the corporation.

Buyer understands that corporation papers must be in English or include an English translation certified as to correctness. Also, the person or persons signing the mortgage and closing documents on behalf of the corporation must be the person or persons so authorized in the resolution of the directors, and must include either the president or vice president of the corporation (in the case of a U.S. corporation) or one of the managing directors (in the case of a foreign corporation with no officers). The corporate seal, if any, also must be available at closing. If the Binding Commitment requires individuals to guarantee payment of the corporation's mortgage debt, then those individuals must attend the closing as well and sign all documents required by the party issuing the Binding Commitment.

14. Adjustments with the Association. Buyer understands that Seller may advance money to the Association to permit it to pay for certain of its expenses (for example, but without limitation, insurance premiums, common element or utility and/or cable or other interactive communication charges and deposits, permit and license fees, charges for service contracts, salaries of employees of the Association and other similar expenses). Seller is entitled to be reimbursed by the Association for all of these sums advanced by Seller. The Association will reimburse Seller out of initial contributions and regular assessments paid by Buyer and other owners as those contributions and assessments are collected, or as otherwise requested by Seller. Seller also, at its election, may receive reimbursement for these payments by way of a credit against any sums it may become obligated to pay to the Association. No initial contributions of purchasers to the Condominium Association may be used for such purposes, however, as long as any guaranty by Seller of such Association's assessments is in effect.

15. Default. If Buyer fails to perform any of Buyer's obligations under this Agreement (including making scheduled deposits and other payments) Buyer will be in "default". If Buyer is still in default ten (10) days after Seller sends Buyer notice thereof, Seller shall be entitled to the remedies provided herein. **If, however, Buyer's default is in failing to close on the scheduled date, then Seller can cancel this Agreement without giving Buyer any prior (or subsequent) notification or opportunity to close at a later date.**

Upon Buyer's default (and the expiration of any notice period, if applicable), all Buyer's rights under this Agreement will end and Seller can resell the Unit for a higher or lower price without any accounting to Buyer. Buyer understands that because Seller has taken the Unit off the market for Buyer, has spent money on sales, advertising, promotion and construction and has incurred other costs incident to this sale, Buyer's default will damage Seller. As compensation for this damage, in the event Seller cancels this Agreement because of Buyer's default, Buyer



authorizes Seller to keep (or if not then paid by Buyer, Buyer will pay to Seller) all deposits and other pre-closing advance payments (including, without limitation, those on options, extras, upgrades and the like) Buyer has then made (and which would have been required to have been made had Buyer not defaulted) and all interest which was, or would have been, earned on them, all as liquidated damages (and not as a penalty). Buyer and Seller agree to this because there is no other precise method of determining Seller's damages. Any damage or loss that occurs to the Property while Buyer is in default will not affect Seller's right to liquidated damages. Notwithstanding the foregoing, Seller shall not be precluded from seeking to specifically enforce the Agreement.

If Seller defaults under this Agreement, Buyer will give Seller ten (10) days' notice of it and if Seller has not cured the default within such period, Buyer will have, as its sole and exclusive remedies, the right to terminate the Agreement and receive the return of Buyer's deposits with interest, or the right to seek to specifically enforce the Agreement against Seller. Buyer may not seek an action for damages against Seller, absent an intentional and willful default of Seller which makes the remedy of specific performance unavailable.

The provisions of this Section 15 will survive (continue to be effective after) closing.

16. Litigation. In the event of any litigation between the parties under this Agreement, the prevailing party shall be entitled to reasonable attorneys', paralegals' and para-professionals' fees and court costs at all trial and appellate levels. This paragraph will survive (continue to be effective after) any termination of this Agreement, but shall otherwise be deemed merged into the deed at closing.

17. Maintenance Fee. Buyer understands and agrees that the Estimated Operating Budgets for the Condominium Association, the Master Association and the Neighborhood Association (the "Budgets") contained in the Condominium Documents provide only an estimate of what it will cost to run the Associations during the period of time stated in the Budgets. The monthly assessments for the Unit are guaranteed, if at all, in the manner stated in the Condominium Documents. The Budgets themselves, however, as opposed to the levels of assessments payable to the Condominium Association, are not guaranteed to accurately predict actual expenditures. Changes in the applicable Budgets may be made at any time to cover increases or decreases in actual expenses or in estimates. It is intended that the Seller, as the sole Unit Owner upon the formation of the Condominium, will vote not to provide any reserves for the initial year of the Condominium Association. Thereafter, on an annual basis, a majority of the Condominium Association's members (which may include the Developer during the second fiscal year of the Association) may vote to continue not to provide any reserves. If an election is in fact made to waive reserves, the assessments per unit payable to the Condominium Association will be as set forth in the Estimated Operating Budgets as "Assessments per Unit - Without Reserves". If no such election is made, the assessments per Unit payable to the Condominium Association will be as set forth in the Estimated Operating Budget as "Assessments per Unit - With Reserves".

18. Condominium Association, Master Association and Neighborhood Association. This Agreement is also Buyer's application for membership in the Condominium Association, the Master Association and the Neighborhood Association, which memberships shall automatically take effect at closing. At that time, Buyer agrees to accept all of the liabilities and obligations of membership.

19. Seller's Use of the Condominium Property. As long as Seller owns a unit or units and is offering same in the ordinary course of business, it and its agents can keep offices and model apartments within the Condominium Property and/or Association Property. Seller's salespeople can show these units, erect advertising signs and do whatever else is necessary in Seller's opinion to help sell, resell or lease Units or develop and manage the Condominium Property and/or Association Property or to provide management and administration and/or financial services, but Seller's use of the Condominium Property and/or Association Property must be reasonable, in Seller's opinion, and cannot unreasonably interfere, in Seller's opinion, with Buyer's use and enjoyment of the Unit. This paragraph will survive (continue to be effective after) closing.

20. Sales Commissions. Seller will pay all sales commissions due its in-house sales personnel and/or exclusive listing agent and the co-broker, if any, identified on the last page of this Purchase Agreement (if such space is left blank, it shall mean that Seller has not agreed to pay any co-broker and that Buyer represents that there is no co-broker who can claim by, through or under Buyer), provided that such co-broker has properly registered with Seller as a participating co-broker. By signing this Agreement, Buyer is representing and warranting to Seller that Buyer has not consulted or dealt with any broker, salesperson, agent or finder other than Seller's sales personnel (and the co-broker, if any, named on the last page of this Agreement), nor has the sale been procured by any real estate broker, salesperson, agent or finder other than Seller's sales personnel (and the co-broker, if any, named on the last page of this Agreement). Buyer will indemnify and hold Seller harmless for and from any such person or company claiming otherwise. Buyer's indemnity and agreement to hold Seller harmless includes, without limitation, Buyer's obligation to pay or reimburse Seller for all commissions, damages and other sums for which Seller may be held liable and all attorneys' fees and court costs actually incurred by Seller (including those for appeals), regardless of whether a lawsuit(s) is actually brought or whether Seller ultimately wins or loses. This Section 20 will survive (continue to be effective after) closing and any termination of this Agreement.

21. Notices. Whenever Buyer is required or desires to give notice to Seller, the notice must be in writing and it must be sent certified mail, postage prepaid, with a return receipt requested to Seller at 14160 Palmetto

Frontage Rd., Suite 21, Miami Lakes, Florida 33016, Attn: Alexander Vega, or such other address as Seller may otherwise direct.

Unless this Agreement states other methods of giving notices, whenever Seller is required or desires to give notice to Buyer, the notice must be given either in person, by telephone or in writing and, if in writing, it must be sent either by: (i) certified mail, postage prepaid, with a return receipt requested (unless sent outside of the United States, in which event written notices to Buyer may be sent by regular air mail); (ii) facsimile transmission if Buyer has indicated a teletype number on Page 1 of this Agreement; or (iii) a recognized overnight courier service (i.e., FedEx, Express Mail, Emory, Purolator, United Parcel Service, etc.), to the address for Buyer set forth on Page 1 of the Agreement.

A change of address notice is effective when it is received. All other written notices are effective on the day they are properly given or mailed, whether or not received (and all permitted non-written notices to Buyer are effective on the date given by Seller) unless receipt is required specifically in portions of this Agreement.

22. Transfer or Assignment. Buyer shall not be entitled to assign this Agreement or its rights hereunder without the prior written consent of Seller, which may be withheld by Seller with or without cause (and even if Seller's refusal to grant consent is unreasonable). To the extent that Seller consents to any such assignment, said consent may be conditioned in any manner whatsoever, including, without limitation, charging an assignment or transfer fee. Any such assignee must fully assume all of the obligations of Buyer hereunder by written agreement for Seller's benefit, a counterpart original executed copy of which shall be delivered to Seller. If Buyer is a corporation, partnership, other business entity, trustee or nominee, a transfer of any stock, voting interest, partnership interest, equity, beneficial or principal interest in Buyer will constitute an assignment of this Agreement requiring consent. Without limiting the generality of the foregoing, Buyer shall not, prior to closing on title to the Unit, and unless first obtaining the prior written consent of Seller (which may be granted or withheld in Seller's sole and absolute discretion) advertise, market and/or list the Unit for sale or resale, whether by placing an advertisement, listing the Unit with a broker, posting signs at the Unit or at the Condominium, allowing the Unit to be listed for sale on the internet or the Multiple Listing Service or otherwise. Any violation of any of the foregoing provisions of this Section 22 shall be deemed an immediate default by Buyer under this Agreement (which is not capable of cure and for which no notice must be given).

23. Public Records. Buyer authorizes Seller to record the documents needed to establish and operate the Condominium, as well as all other documents which Seller deems necessary or appropriate, in the Public Records of Palm Beach County, Florida. Neither this Agreement, nor any notice or memorandum hereof (nor any Lis Pendens), may be recorded by the Buyer.

24. Buyer's Right to Cancel. **THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM OR HER BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.**

If Buyer does not cancel this Agreement during this 15-day period in the manner set forth above, it means that Buyer ratifies this Agreement and the Condominium Documents and Buyer agrees that their provisions are fair and reasonable in Buyer's opinion.

25. Florida Law; Severability. Any disputes that develop under this Agreement will be settled according to Florida law. If any part of this Agreement violates a provision of applicable law, the applicable law will control. In such case, however, the rest of the Agreement (not in violation) will remain in force.

Without limiting the generality of the foregoing, it is Buyer's and Seller's mutual desire and intention that all provisions of this Agreement be given full effect and be enforceable strictly in accordance with their terms. If, however, any part of this Agreement is not enforceable in accordance with its terms or would render other parts of this Agreement or this Agreement, in its entirety, unenforceable, the unenforceable part or parts are to be judicially modified, if at all possible, to come as close as possible to the expressed intent of such part or parts (and still be enforceable without jeopardy to other parts of this Agreement, or this Agreement in its entirety), and then are to be enforced as so modified. If the unenforceable part or parts cannot be so modified, such part or parts will be unenforceable and considered null and void in order that the mutual paramount goal (that this Agreement is to be enforced to the maximum extent possible strictly in accordance with its terms) can be achieved.

Without limiting the generality of the foregoing, if the mere inclusion in this Agreement of language granting to Seller certain rights and powers, or waiving or limiting any of Buyer's rights or powers or Seller's obligations (which otherwise would be applicable in the absence of such language), results in a final conclusion (after giving effect to the

above judicial modification, if possible) that Buyer has the right to cancel this Agreement and receive a refund of his deposits, such offending rights, powers, limitations and/or waivers shall be struck, canceled, rendered unenforceable, ineffective and null and void. Under no circumstances shall either Buyer or Seller have the right to cancel this Agreement solely by reason of the inclusion of certain language in this Agreement (other than language which is intended specifically to create such a cancellation right).

26. **Changes.** Seller may make changes in the Condominium Documents in its sole discretion by providing Buyer with all such amendments that are made, provided that, as to these changes, Buyer will have fifteen (15) days from the date of receipt of such changes from Seller which materially alter or modify the offering of the Condominium in a manner adverse to Buyer in which to cancel this Agreement (by delivering written notice to Seller of such cancellation) and receive a refund of any deposits with applicable interest, if any. Seller will be relieved of all obligations under this Agreement when Seller refunds the deposits and interest earned, if any. Buyer will not be permitted to prevent Seller from making any change it wishes in its sole discretion, nor to pursue any remedy other than the 15-day cancellation remedy described above (and then only for the kind of changes that materially alter or modify the offering in a manner that is adverse to Buyer).

If Buyer has the right to cancel this Agreement by reason of a change which materially alters or modifies the offering of the Condominium in a manner adverse to Buyer, Buyer's failure to request cancellation in writing within the 15-day period will mean that Buyer accepts the change and irrevocably waives his or her right so to cancel. All rights of cancellation will terminate, then absolutely at closing, if not sooner. After closing, Buyer will have no remedy for any changes Seller may make or have made.

Without limiting the generality of the foregoing and other provisions of this Agreement, Seller is specifically authorized to: (i) substitute the final legal descriptions and as-built surveys for the proposed legal descriptions and plot plans contained in the Condominium Documents, and/or (ii) combine and/or subdivide units prior to the recordation of the Declaration (and incorporate divider wall common elements into any such combination units or add common element divider walls in any such subdivision), provided that the percentage share of ownership of common elements of any unit not affected in the combination or subdivision is not affected.

The provisions of this Section 26 will survive (continue to be effective after) closing.

27. **Time of Essence.** The performance of all obligations by Buyer on the precise times stated in this Agreement is of absolute importance and failure by Buyer to so perform on time is a default, time being of the essence as to Buyer's obligations hereunder.

28. **Disclaimer of Implied Warranties.** Notwithstanding that this Condominium is a conversion of previously occupied premises, Seller has elected to warrant the improvements solely to the extent provided in Section 718.618, Florida Statutes. Except only for those warranties provided in Section 718.618, Florida Statutes (and only to the extent applicable and not yet expired), and those of Section 718.203, Florida Statutes (to the extent applicable and not yet expired), to the maximum extent lawful Seller hereby disclaims any and all and each and every express or implied warranties, whether established by statutory, common, case law or otherwise, as to the design, construction, sound and/or odor transmission, existence and/or development of molds, mildew, toxins or fungi, furnishing and equipping of the Condominium Property, including, without limitation, any implied warranties of habitability, fitness for a particular purpose or merchantability, compliance with plans, all warranties imposed by statute (other than those imposed by Sections 718.618 and 718.203, Florida Statutes, and then only to the extent applicable and not yet expired) and all other express and implied warranties of any kind or character. Seller has not given and Buyer has not relied on or bargained for any such warranties. Buyer recognizes and agrees that the Unit and Condominium are not new construction. Buyer, by closing on the purchase of the Unit, shall be deemed to represent and warrant to Seller that in deciding to purchase the Unit, Buyer relied solely on Buyer's independent inspection of the Unit and the Condominium as well as the conversion inspection reports included in the Prospectus. Buyer has not received nor relied on any warranties and/or representations from Seller of any kind, other than as expressly provided herein.

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).

Buyer acknowledges and agrees that Seller does not guarantee, warrant or otherwise assure, and expressly disclaims, any right to view and/or natural light.

Further, given the climate and humid conditions in South Florida, molds, mildew, spores, fungi and/or other toxins may exist and/or develop within the Unit and/or the Condominium Property. Buyer is hereby advised that certain molds, mildew, spores, fungi and/or other toxins may be, or if allowed to remain for a sufficient period may become, toxic and potentially pose a health risk. By executing and delivering this Agreement and closing, Buyer shall be deemed to have assumed the risks associated with molds, mildew, spores, fungi and/or other toxins and to have released and indemnified Seller and Seller's Affiliates from and against any and all liability or claims resulting from same, including, without limitation, any liability for

incidental or consequential damages (which may result from, without limitation, the inability to possess the Unit, inconvenience, moving costs, hotel costs, storage costs, loss of time, lost wages, lost opportunities and/or personal injury and death to or suffered by any of Buyer's Guests as defined below and any other person or any pets). Without limiting the generality of the foregoing, leaks, leaving exterior doors or windows open, wet flooring and moisture will contribute to the growth of mold, mildew, fungus or spores. Buyer understands and agrees that Seller is not responsible for, and Seller hereby disclaims any responsibility for any illness or allergic reactions which may be experienced by Buyer, its pets, its family members and/or its or their guests, tenants and invitees (collectively "Buyer's Guests") as a result of mold, mildew, fungus or spores. It is solely the Buyer's responsibility to keep the Unit clean, dry, well-ventilated and free of contamination.

This Section will survive (continue to be effective after) closing.

29. Representations. Buyer acknowledges, warrants, represents and agrees that this Agreement is being entered into by Buyer without reliance upon any representations concerning any potential for future profit, any future appreciation in value, any rental income potential, tax advantages, depreciation or investment potential and without reliance upon any monetary or financial advantage. Buyer acknowledges and agrees that no such representations, including representations as to the ability or willingness of Seller or its affiliates to assist Buyer in renting or selling the Unit, have been made by Seller, or any of its agents, employees or representatives. Buyer further represents and warrants to Seller that Buyer is entering into this Agreement with the full intention of complying with each and every of the obligations hereunder, including, without limitation, the obligation to close on the purchase of the Unit. Neither Seller, nor anyone working by, through or under Seller, has made any statement or suggestion that Buyer would not be obligated to fully comply with the terms of this Agreement and to close on the purchase of the Unit. Further, Buyer understands and agrees that neither Seller, nor any brokerage company, in-house sales personnel and/or other persons working by, through or under Seller, are under any obligation whatsoever to assist Buyer with any resale of the Unit.

This Agreement contains the entire understanding between Buyer and Seller, and Buyer hereby acknowledges that the displays, architectural models, artist renderings and other promotional materials contained in the media, in sales office and model suite are for promotional purposes only and may not be relied upon. Buyer warrants that Buyer has not relied upon any verbal representations or promises other than as expressly contained herein and in the Condominium Documents, including, specifically, but without limitation, any representations as to: (a) potential appreciation in or resale value of the Unit, (b) the existence of any "view" from the Unit or that any existing "view" will not be obstructed in the future, (c) traffic conditions in, near or around the Condominium, (d) disturbance from nearby properties, or (e) disturbance from air or vehicular traffic. The provisions of this paragraph shall survive the closing.

30. Return of Condominium Documents. If this Agreement is canceled for any reason, Buyer will return to Seller all of the Condominium Documents delivered to him or her in the same condition received, reasonable wear and tear excepted. If Buyer fails to return the Condominium Documents, Buyer agrees to pay Seller \$50.00 to defray the costs of preparation, printing and delivery of same.

31. Nearby Activities and Views. Buyer understands and agrees that for some time in the future Buyer may be disturbed by the noise, commotion and other unpleasant effects of nearby construction activity and Buyer may be impeded in using portions of the Condominium Property by that activity. Because the Condominium is located in an urban area, demolition or construction of buildings and other structures within the immediate area or within the view lines of any particular Unit or of any part of the Condominium (the "Views") may block, obstruct, shadow or otherwise affect Views, which may currently be visible from the Unit or from the Condominium. Therefore, the Buyer hereby agrees to release Seller and every affiliate and person related or affiliated in any way with the Seller ("Seller's Affiliates") from and against any and all losses, claims, demands, damages, costs and expenses of whatever nature or kind, including attorney's fees and costs, including those incurred through all arbitration and appellate proceedings, related to or arising out of any claim against the Seller or Seller's Affiliates related to Views or the disruption, noise, commotion, and other unpleasant effects of nearby development or construction. As a result of the foregoing, there is no guarantee of view, security, privacy, location, design, density or any other matter, except as is set forth herein or in the Prospectus.

Additionally, inasmuch as the Commercial Lots may attract customers, patrons and/or guests who are not members of the Association, the Master Association or the Neighborhood Association, such additional traffic over and upon the Common Elements and Common Areas shall not be deemed a nuisance hereunder.

32. Survival. Only those provisions and disclaimers in this Agreement which specifically state that they shall have effect after closing will survive (continue to be effective after) closing and delivery of the deed. All other provisions shall be deemed merged into the deed.

33. Disclosures. Under the laws of the State of Florida, Buyer is hereby advised as follows:

- (a) **RADON GAS:** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in

Florida. Additional information regarding radon and radon testing may be obtained from your county health department. The foregoing notice is provided in order to comply with state law and is for informational purposes only. Seller does not conduct radon testing with respect to the Units or the Condominium, and specifically disclaims any and all representations or warranties as to the absence of radon gas or radon producing conditions in connection with the Condominium.

- (b) CHAPTER 558, FLORIDA STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY BRING ANY LEGAL ACTION FOR AN ALLEGED CONSTRUCTION DEFECT IN YOUR UNIT OR CONDOMINIUM. SIXTY DAYS BEFORE YOU BRING ANY LEGAL ACTION, YOU MUST DELIVER TO THE OTHER PARTY TO THIS AGREEMENT, A WRITTEN NOTICE REFERRING TO CHAPTER 558 OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE SUCH PERSON THE OPPORTUNITY TO INSPECT THE ALLEGED CONSTRUCTION DEFECTS AND TO CONSIDER MAKING AN OFFER TO REPAIR OR PAY FOR THE ALLEGED CONSTRUCTION DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER WHICH MAY BE MADE. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THIS FLORIDA LAW WHICH MUST BE MET AND FOLLOWED TO PROTECT YOUR INTERESTS.
- (c) BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

34. Offer. The submission by Seller of this Agreement to Buyer for examination does not constitute an offer by Seller to Buyer, or a reservation of or option for any Unit in the Condominium. This Agreement shall not become binding until executed and delivered by both Buyer and Seller. Upon execution by Seller, an executed copy of this Agreement shall be sent to Buyer, otherwise the firm offer shall be considered rejected and all funds deposited by Buyer shall be promptly returned to Buyer.

35. Liability. The liability of Seller under this Agreement or any amendment or any instrument or document executed in connection with this Agreement shall be limited to and enforceable solely against the interest of Seller in the Condominium, and not against any other assets of Seller or any partner of Seller (or its or their officers, principals, directors, employees, managers, members or agents).

36. Miscellaneous. The explanations, definitions, disclaimers and other provisions set forth in the Condominium Documents are incorporated into this Agreement as if repeated at length here. When the words "this Agreement" are used, they shall include in their meaning all modifications, riders and addenda to it signed by Buyer and Seller. Buyer acknowledges that the primary inducement for him or her to purchase under this Agreement is the Unit itself and not the recreational amenities and other Common Elements. Seller's waiver of any of its rights or remedies (which can only occur if Seller waives any right or remedy in writing) will not waive any other of Seller's rights or remedies or prevent Seller from later enforcing all of Seller's rights and remedies under other circumstances.

37. Entire Agreement. This Agreement is the entire contract for sale and purchase of the Unit and once it is signed, it can be amended only by a written instrument signed by both Buyer and Seller which specifically states that it is amending this Agreement. **Any current or prior agreements, representations, understandings or oral statements of sales representatives or others, if not expressed in this Agreement, the Condominium Documents or in brochures for the Condominium, are void and have no effect. Buyer agrees that Buyer has not relied on them.**

**\*\*\* SIGNATURES ARE CONTAINED ON THE FOLLOWING PAGE \*\*\***

**GENERAL INFORMATION:**

**Co-Broker Information:** (See paragraph 20 above; if the space for Co-Broker's name is left blank, it shall mean that Seller has not agreed to pay any co-broker)

Co-Broker's Name: \_\_\_\_\_  
Co-Broker's Sales Agent \_\_\_\_\_  
Co-Broker's Address \_\_\_\_\_

Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_  
E-Mail \_\_\_\_\_ License No. \_\_\_\_\_

**BUYER:**

\_\_\_\_\_  
  
\_\_\_\_\_

Date of Execution: \_\_\_\_\_

**SELLER**

**San Marino 355, LLC, a Florida limited liability company**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date of Execution: \_\_\_\_\_

Exhibit "D"

This instrument prepared by:  
Shamira Klein, Esq.  
BERMAN RENNERT VOGEL  
& MANDLER, P.A.  
100 S.E. 2nd Street, Suite 2900  
Miami, FL 33131-2130  
Parcel Identification No. 74-42-43-12-22-009-0000  
74-42-43-12-25-003-0020

**SPECIAL WARRANTY DEED**

**THIS SPECIAL WARRANTY DEED**, made this 20th day of August, 2004, by Bear Lakes Associates, Ltd., a Florida limited partnership ("Grantor"), and San Marino 355, L.L.C., a Florida limited liability company ("Grantee"), whose post office address is 2901 SW 8 Street, Suite 204, Miami, Florida 33135.

**WITNESSETH:** That Grantor, for and in consideration of the sum of Ten (\$10.00) Dollars in hand paid by Grantee and other valuable consideration, the receipt whereof is acknowledged hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the said Grantee and to Grantee's heirs and assigns, forever, all of Grantor's right, title and interest in and to the following described land in Palm Beach County, State of Florida, to wit:

See Exhibit "A" attached hereto.

**TOGETHER**, with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

**SUBJECT TO:** Taxes for the year 2004 and subsequent years which are not yet due and payable; zoning, restrictions, reservations and easements of record, if any, and those matters shown on Exhibit "B" attached hereto, without the intent of reimposing same.

**TO HAVE AND TO HOLD**, the same in fee simple forever.

**AND EXCEPT AS SET FORTH ABOVE, GRANTOR** does hereby fully warrant the title to said land, and will defend the same against the lawful claims and demands of all persons claiming by, through or under the said Grantor.

*[Signature Page to Follow]*



IN WITNESS WHEREOF, the Grantor has executed this instrument the day and year first above written.

Signed, sealed and delivered in the presence of:

BEAR LAKES ASSOCIATES, LTD., a Florida limited partnership

By: Cornerstone Bear Lakes, LLC, a Florida limited liability company, its sole general partner

Eric Weiner  
Print Name: Eric Weiner  
[Signature]  
Print Name: LEON WOLFE

By: [Signature]  
Print Name: Leon Wolfe  
Title: President

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

The foregoing Special Warranty Deed was acknowledged before me this 20 day of August, 2004 by Leon Wolfe, as President of Cornerstone Bear Lakes, LLC, sole general partner of Bear Lakes Associates, Ltd., a Florida limited partnership, who is personally known to me or has produced \_\_\_\_\_ as identification.

[Signature]

Notary Public, State of Florida  
My Commission Expires:



Christina O. Aguirre  
Commission # DD 049417  
Expires Aug. 13, 2005  
Bonded Thru  
Atlantic Bonding Co., Inc.



EXHIBIT "A"

PARCEL NO. 1:

A parcel of land lying in Section 12, Township 43 South, Range 42 East, Palm Beach County, Florida, said parcel of land being Tract "I", Tract "W-2" and a portion of Tract "W-1", as shown on the Plat of San Marino at Bear Lakes, as recorded in Plat Book 92, Pages 44 through 46, Public Records of Palm Beach County, Florida, said parcel being more particularly described as follows:

Beginning at the Southwest corner of said Tract "I"; thence South 88°19'12" East along the South line of said Tract "I", a distance of 336.58 feet; thence North 01°40'48" East, a distance of 826.47 feet; thence North 11°39'13" West, a distance of 49.33 feet; thence North 61°50'30" East, a distance of 43.74 feet; thence North 22°04'18" West, a distance of 252.47 feet to a point of curvature of a curve concave to the Northeast; thence Northwesterly along the arc of said curve having a central angle of 13°56'57" and a radius of 50.00 feet, a distance of 12.17 feet; thence North 08°07'21" West, a distance of 48.24 feet; thence North 12°06'07" West, a distance of 185.07 feet; thence North 22°33'20" West, a distance of 173.87 feet to the point of curvature of a curve concave to the Southwest; thence Northwesterly along the arc of said curve, having a central angle of 38°06'17" and a radius of 50.00 feet, a distance of 33.25 feet; thence North 60°39'38" West, a distance of 113.85 feet to the point of curvature of a curve concave to the Northeast; thence Northwesterly along the arc of said curve having a central angle of 15°32'03" and a radius of 50.00 feet, a distance of 13.56 feet; thence North 45°07'35" West, a distance of 212.87 feet to the point of curvature of a curve concave to the Southwest; thence Northwesterly along the arc of said curve, having a central angle of 40°52'09" and a radius of 15.00 feet, a distance of 10.70 feet; thence North 85°59'44" West, a distance of 43.41 feet; thence South 03°56'43" West, a distance of 38.51 feet; thence North 88°03'17" West, a distance of 320.06 feet; thence South 01°56'42" West, a distance of 23.33 feet; thence South 43°03'18" East, a distance of 36.52 feet to a point of curvature of a curve concave to the Northeast; and whose chord bears South 33°21'28" East, thence Southeasterly along the arc of said curve having a central angle of 65°37'03" and a radius of 150.00 feet, a distance of 171.79 feet; thence South 01°40'48" West, a distance of 608.92 feet to a point on a curve concave to the Northwest and whose chord bears South 69°24'59" West; thence Southwesterly along the arc of said curve, having a central angle of 14°54'07" and a radius of 60.00 feet, a distance of 15.61 feet to the point of reverse curvature of a curve concave to the Southeast; thence Southwesterly along the arc of said curve, having a central angle of 96°37'30" and a radius of 30.00 feet, a distance of 50.59 feet to a point of tangency; thence South 19°45'27" East, a distance of 211.20 feet to the point of curvature of a curve concave to the Northeast; thence Southeasterly along the arc of said curve, having a central angle of 17°57'41" and a radius of 200.00 feet, a distance of 62.70 feet to a point of tangency; thence South 37°43'07" East, a distance of 38.69 feet to point of curvature of a curve concave to the Northeast; thence Southeasterly along the arc of said curve having a central angle of 12°43'14" and a radius of 200.00 feet, a distance of 44.40 feet to a point of tangency; thence South 50°26'22" East, a distance of 157.04 feet to the point of curvature of a curve concave to the Northeast; thence Southeasterly along the arc of said curve having a central angle of 31°16'29" and a radius of 200.00 feet, a distance of 109.17 feet to a point of tangency; thence South 81°42'51" East, a distance of 69.90 feet to the point of curvature of a curve concave to the Northwest; thence Northeasterly along the arc of said curve having a central angle of 96°36'21" and a radius of 30.00 feet, a distance of 50.58 feet to the point of tangency; thence South 01°40'48" West, a distance of 222.26 feet; thence North 88°19'12" West, a distance of 46.25 feet; thence South 01°40'48" West, a distance of 237.58 feet to the Point of Beginning aforescribed.



**Composite Exhibit "E"**

Conversion Inspection Report

Letter from Municipality

Termite Inspection Report

Certificates of Occupancy/Completion



## DISCLOSURE OF STRUCTURE AND FUNCTIONAL SOUNDNESS OF COMPONENTS

INSPECTION DATE July 12, 2004  
REPORT DATE: August 14, 2004

**PRIOR USE OF IMPROVEMENTS:** Residential rental apartments.

### ROOF:

The existing roof construction is concrete barrel tile roof system. The roof slopes at a pitch of 4:12 to the exterior roof gutters and leaders. The roof is structurally and functionally sound with an approximate age of 2 years from the date of this inspection. The estimated remaining useful life of the roof is 28 years from date of this inspection. The replacement cost to roof the entire property is approximately \$ 337,875.00, The per Unit cost are: \$706.80 per Unit Types "A", \$861.18 per Unit Types "B", \$984.87 per Unit Types "C", and \$1,209.00 per Unit Type "D".

### STRUCTURE:

The structure was built in 2002 with an age of 2 years. The structure consists of poured-in-place concrete walls and slabs with Concrete Block infill walls. The exterior of the building is stucco finish with paint. The Building structures are four stories. The structures have the appearance of being structurally and functionally sound with no apparent cracks or repairs needed. The remaining useful life expectancy of the structure is 58 years from this inspection. The replacement cost of the structural shell only is approximately \$ 9,052,100.00, The per Unit cost are: \$19,000.00 per Unit Types "A", \$23,150.00 per Unit Types "B", \$26,475.00 per Unit Types "C", and \$32,500.00 per Unit Type "D".

### FIREPROOFING AND FIRE PROTECTION SYSTEM:

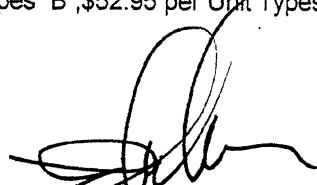
The apartment units are separated by 1-hour fire rated walls of concrete block. The floors are separated with 4" poured concrete slabs with 2-hour rated separation. The systems were installed in 2002 with an age of 2 years, and an estimated remaining useful life of 48 years. The buildings each have a fire alarm system and fire sprinkler system. The fireproofing and fire protection systems are structurally and functionally sound. The entire complex is provided with fire extinguishers with an approximate age of 1 year. The replacement cost is \$ 625,331.00. The per Unit cost are: \$1,314.80 per Unit Types "A", \$1,601.98.00 per Unit Types "B", \$1,832.07.00 per Unit Types "C", and \$2,249.00 per Unit Type "D".

### ELEVATORS:

The building complex has no elevators.

### HEAT AND COOLING SYSTEMS:

Each apartment unit has its independent air handler and condensing unit. The Clubhouse building has its own air conditioning unit. The components are structurally and functionally sound. The age of these units is 2 years, with a remaining useful life of approximately 38 years. The total replacement cost of the systems is \$16,400.00. The per Unit cost are: \$38.00 per Unit Types "A", \$46.30 per Unit Types "B", \$52.95 per Unit Types "C", and \$65.00 per Unit Type "D".



8-14-04

**PLUMBING:**

The only common plumbing systems in the buildings are hose bibs and laundry rooms plumbing, which are in good operating conditions. The components are structurally and functionally sound. The system was installed 2 years ago from the date of this inspection. The estimated remaining useful life is 38 years. The replacement cost of the plumbing system is \$74,000.00, or \$.20 per living area square footage. The per Unit cost are: \$152.00 per Unit Types "A", \$185.20 per Unit Types "B", \$211.80 per Unit Types "C", and \$260.00 per Unit Type "D".

**ELECTRICAL:**

The common electrical lighting system includes wall mounted entrance fixtures. The parking area has concrete pole mounted lights. Both lighting systems are in good condition and structurally and functionally sound. The fixtures are 2 years old, with a remaining useful life of 38 years from the date of this inspection. The total replacement cost is \$68,200.00. The per Unit cost are: \$152.00 per Unit Types "A", \$185.20 per Unit Types "B", \$211.80 per Unit Types "C", and \$260.00 per Unit Type "D".

**POOL AREA:**

There is one (1) pool and pool deck. The pool is in good condition. The pool has an approximate depth of 3 to 6 feet and the pool deck area has a capacity of 45 persons each. The pool area includes a Clubhouse with restrooms, fun center, exercise room, racquetball court, offices and business center area of approximately 5480 sf. The Clubhouse building has a capacity is 45 persons. The age of the Pool, and Clubhouse is 2 years old with a remaining useful life of 38 years. The total replacement cost for all the above is \$438,400.00. The per Unit cost are: \$919.60 per Unit Types "A", \$1,120.46 per Unit Types "B", \$1,281.39 per Unit Types "C", and \$1,573.00 per Unit Type "D".

**PAVEMENT AND PARKING AREAS:**

The parking area is in good condition and is structurally and functionally sound with a total of 618 parking spaces. The parking area and drives have an age of 2 years. The age of the paving is two (2) years with a remaining useful life of 38 years. The resurfacing cost of \$ 12,000.00. The per Unit cost are: \$22.80 per Unit Types "A", \$27.78 per Unit Types "B", \$31.77 per Unit Types "C", and \$39.00 per Unit Type "D".

**DRAINAGE SYSTEM:**

The existing parking drainage system consists of catch basins and surface drainage. The system was witnessed as working in good condition. The age of the system is 2 with a remaining useful life of 38 years. The total replacement cost is \$73,000.00. The per Unit cost are: \$152.00 per Unit Types "A", \$185.20 per Unit Types "B", \$211.80 per Unit Types "C", and \$260.00 per Unit Type "D".

**TERMITES:**

A termite inspection report was prepared by a certified pest control operator. A copy of their report is attached to this report as Exhibit "B". We have attached a copy of the termite report prepared by the certified pest control operator to comply with the requirements of section 718.616 Florida Statutes. I have no responsibility and assume no responsibility for content of the termite report.

**Please note all estimated useful life expectancies noted in the above report are calculated from the date of inspection.**

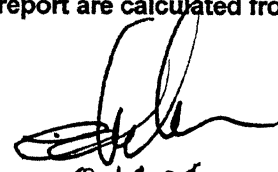


Exhibit "A"



CONSTRUCTION SERVICES DEPARTMENT

P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/659-8096  
Fax: 561/659-8026

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS C  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIFY  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTED  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION A


Permit No: 01021177

Type of Permit: TOWNHOUSE TOWNHOUSES

Address : 4220 SAN MARINO BLVD

Description: BUILDING #3 TYPE I / 19 UNITS

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
(for) Neil K. Mc  
BUILDING C

DATE: 07/17/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON TH

"An Affirmative Action / Equal Opportunity Employer"

DETACH AND DISPLAY BOTTOM PORTION, AND KEEP UPPER PORTION FOR YOUR RECORDS

2002-22365

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

OH-004  
CLASSIFICATION

**EXPIRES: SEPTEMBER - 30 - 2002**

SAN MARINO @ LAGUNA LAKES  
BEAR LAKES ASSOC LTD

\*\* LOCATED AT

CNTY \$32.97

4240 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

TOTAL \$32.97

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:  
  
APARTMENTS (42 UNITS)

**THIS IS NOT A BILL - DO NOT PAY**

PAID. PBC TAX COLLECTOR  
\$32.97 OCC 003 09434 07-18-2002

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

**THIS LICENSE VALID ONLY WHEN RECEIPTED BY TAX COLLECTOR**





CONSTRUCTION SERVICES DEPARTMENT  
P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/659-8096  
Fax: 561/659-8026

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIFIED  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTED  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION

Permit No: 01090461

Type of Permit: BLD-COM COMMERCIAL BUILDING PERMIT

Address : 4271 SAN MARINO BLVD

Description: BUILD. # 4 TYPE II

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
\_\_\_\_\_  
(for) Neil K. 1  
BUILDING

DATE: 08/12/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON T

"An Affirmative Action / Equal Opportunity Employer"



CONSTRUCTION SERVICES DEPARTMENT

P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/659-8096  
Fax: 561/659-8026

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS OF  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIFY  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTED  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION A

Permit No: 01090460

Type of Permit: BLD-COM COMMERCIAL BUILDING PERMIT

Address : 4240 SAN MARINO BLVD

Description: BUILDING # 2 TYPE BUILD III

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
\_\_\_\_\_  
(for) Neil K. M.  
BUILDING

DATE: 07/17/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON T

"An Affirmative Action / Equal Opportunity Employer"

2003-01098

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

OH-004  
CLASSIFICATION

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD

\*\* LOCATED AT

CNTY

\$44.74

4271 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

TOTAL

\$44.74

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

APARTMENTS (19 UNITS)

**THIS IS NOT A BILL - DO NOT PAY**

VALID 08/16/2002 - 09/30/2003

PAID: PBC TAX COLLECTOR

\$44.74 OCC 003 10150 08-16-2002

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

**THIS LICENSE VALID ONLY WHEN RECEIPTED BY  
TAX COLLECTOR**



CONSTRUCTION SERVICES DEPARTMENT

P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/659-8096  
Fax: 561/659-8026

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIF  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTE  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION .


Permit No: 01021179

Type of Permit: TOWNHOUSE TOWNHOUSES

Address : 4241 SAN MARINO BLVD

Description: BLDG #5 TYPE I

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
(for) Neil K.  
BUILDING

DATE: 08/12/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON

*"An Affirmative Action / Equal Opportunity Employee."*



# John K. Clark, CFC Tax Collect

P. O. Box 3353  
West Palm Beach, FL 33402-3353  
www.pbcgov.com/tax Tel: (561) 355-2622

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD  
4200 N MILITARY TRAIL  
WEST PALM BEACH FL 33409-7705

License Number:

Dear Business Owner:

This is your new occupational license. Please keep the upper portion for your records and the bottom of this form. Verify the information and display it conspicuously at your business, open to the view of the public.

This license is in addition to and not in lieu of any other license required by law or ordinance and is subject to regulations of zoning, health, and any other lawful ordinance (Ordinance Number 72-7).

Licenses may be transferred to a new owner when evidence of a sale is provided, the original license is surrendered and a transfer fee is paid.

Licenses may be transferred to a new location when proof of zoning approval is provided, the original license is surrendered and a transfer fee is paid.

Business name changes require a new license.

This license expires on **September 30, 2003**. Renewal notices are mailed to you. If you do not receive the notice by the middle of August, please let us know.

I hope you have a successful year.

Tax Collector

PBC TO: PUB 146 (11/00)

\*\*\*\*\* DETACH AND DISPLAY BOTTOM PORTION, AND KEEP UPPER PORTION FOR YOUR RECORDS

**2003-07888**

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD

\*\* LOCATED AT

4200 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

APARTMENTS (23 UNITS)  
APARTMENT COMPLEX

THIS IS NOT A BILL - I

PAID: PBC TAX COLLECTOR  
\$36.11 OCC 004 00672

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

THIS LICENSE VALID ONLY WITH  
TAX COLLECTOR



CONSTRUCTION  
P.O.  
West Palm B  
Telephon  
Fax:

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS ( CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIFIED THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTED WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION )


Permit No: 01021182

Type of Permit: BLD-COM COMMERCIAL BUILDING PERMIT

Address : 4190 SAN MARINO BLVD

Description: BLDG # 8 TYPE 1 MOD

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
\_\_\_\_\_  
(for) Neil K.  
BUILDING

DATE:10/04/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON

" Equal Opportunity Employer"



# John K. Clark, CFC Tax Collector

P. O. Box 3353  
West Palm Beach, FL 33402-3353  
www.pbcgov.com/tax Tel: (561) 355-2622

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD  
4200 N MILITARY TRAIL  
WEST PALM BEACH FL 33409-7705

License Number:

Dear Business Owner:

This is your new occupational license. Please keep the upper portion for your records and the bottom of this form. Verify the information and display it conspicuously at your business, open to the view of the public.

This license is in addition to and not in lieu of any other license required by law or ordinance and is subject to regulations of zoning, health, and any other lawful ordinance (Ordinance Number 72-7).

Licenses may be transferred to a new owner when evidence of a sale is provided, the original license is surrendered and a transfer fee is paid.

Licenses may be transferred to a new location when proof of zoning approval is provided, the original license is surrendered and a transfer fee is paid.

Business name changes require a new license.

This license expires on **September 30, 2003**. Renewal notices are mailed to you. If you do not receive the notice by the middle of August, please let us know.

I hope you have a successful year.

Tax Collector

PBC FORM 140 (03) (REV)

\*\*\*\*\* DETACH AND DISPLAY BOTTOM PORTION, AND KEEP UPPER PORTION FOR YOUR RECORDS

**2003-07886**

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD

\*\* LOCATED AT

4190 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

APARTMENTS (19 UNITS)  
APARTMENT COMPLEX

THIS IS NOT A BILL - D

PAID: PBC TAX COLLEC  
\$29.83 OCC 004 00670 1

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

THIS LICENSE VALID ONLY WITH  
TAX COLLECTOR



CONSTRUCTION  
P.  
West Palm  
Telephc  
Fax:

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIF  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTE  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION .

Permit No: 01021183

Type of Permit: BLD-COM      COMMERCIAL BUILDING PERMIT

Address : 4180 SAN MARINO BLVD

Description: 3 STORY R-2 BUILDING # 9 TYPE III

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
\_\_\_\_\_  
(for) Neil K.  
BUILDING

DATE: 10/25/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON

"Equal Opportunity Employer"





# John K. Clark, CFC Tax Collector

P. O. Box 3353  
West Palm Beach, FL 33402-3353  
www.pbcgov.com/tax Tel: (561) 355-2622

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD  
4200 N MILITARY TRAIL  
WEST PALM BEACH FL 33409-7705

License Number:

Dear Business Owner:

This is your new occupational license. Please keep the upper portion for your records and the bottom of this form. Verify the information and display it conspicuously at your business, open to the view of the public.

This license is in addition to and not in lieu of any other license required by law or ordinance and is subject to regulations of zoning, health, and any other lawful ordinance (Ordinance Number 72-7).

Licenses may be transferred to a new owner when evidence of a sale is provided, the original license is surrendered and a transfer fee is paid.

Licenses may be transferred to a new location when proof of zoning approval is provided, the original license is surrendered and a transfer fee is paid.

Business name changes require a new license.

This license expires on **September 30, 2003**. Renewal notices are mailed if you do not receive the notice by the middle of August, please let us know.

I hope you have a successful year.

Tax Collector

PBC 10/01/96 140 (3) (8/01)

\*\*\*\*\* DETACH AND DISPLAY BOTTOM PORTION, AND KEEP UPPER PORTION FOR YOUR RECORDS

**2003-07887**

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD

\*\* LOCATED AT

4180 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

APARTMENTS (23 UNITS)  
APARTMENT COMPLEX

**THIS IS NOT A BILL - D**

PAID: PBC TAX COLLEC  
\$36.11 OCC 004 00671 11

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

**THIS LICENSE VALID ONLY WITH  
TAX COLLECTOR**



CONSTRUCTION  
P.C.  
West Palm B  
Telephor  
Fax:

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIF  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTE  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION

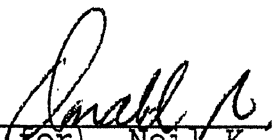
Permit No: 01021185

Type of Permit: BLD-COM COMMERCIAL BUILDING PERMIT

Address : 4171 SAN MARINO BLVD

Description: BLDG #10 3 STORY R-2 TYPE I

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
\_\_\_\_\_  
(for) Neil K.  
BUILDING

DATE: 09/19/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON

"Equal Opportunity Employer"



# John K. Clark, CFC Tax Collect

P. O. Box 3353  
West Palm Beach, FL 33402-3353  
www.pbcgov.com/tax Tel: (561) 355-2622

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD  
4300 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

License Number:

Dear Business Owner:

This is your new occupational license. Please keep the upper portion for your records and the bottom of this form. Verify the information and display it conspicuously at your business, open to the view of the public.

This license is in addition to and not in lieu of any other license required by law or ordinance and is subject to regulations of zoning, health, and any other lawful ordinance (Ordinance Number 72-7).

Licenses may be transferred to a new owner when evidence of a sale is provided, the original license is surrendered and a transfer fee is paid.

Licenses may be transferred to a new location when proof of zoning approval is provided, the original license is surrendered and a transfer fee is paid.

Business name changes require a new license.

This license expires on **September 30, 2003**. Renewal notices are mailed to you. If you do not receive the notice by the middle of August, please let us know.

I hope you have a successful year.

Tax Collector

PBC FC FORM 140-038 (2001)

\*\*\*\*\* DETACH AND DISPLAY BOTTOM PORTION, AND KEEP UPPER PORTION FOR YOUR RECORDS

**2003-10671**

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD

\*\* LOCATED AT

4171 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

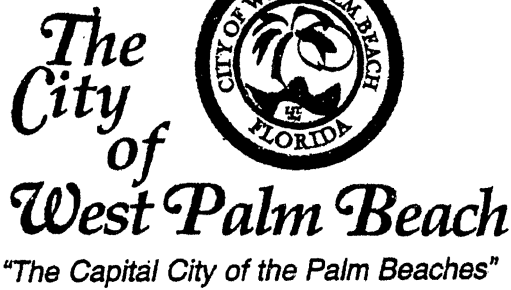
APARTMENTS (19 UNITS)

**THIS IS NOT A BILL - D**

PAID. PBC TAX COLLECTOR  
\$29.83 OCC 004 02300 1

**JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY**

**THIS LICENSE VALID ONLY WITH  
TAX COLLECTOR**



CONSTRUCTION S  
P.O.  
West Palm B  
Telephon  
Fax: 4

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS ( CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIF THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTED WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION )

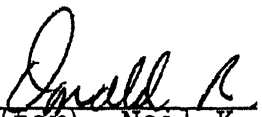
Permit No: 01021186

Type of Permit: BLD-COM COMMERCIAL BUILDING PERMIT

Address : 4151 SAN MARINO BLVD

Description: BLDG 11 TYPE III 3 STORY R-2

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
(for) Neil K.  
BUILDING

DATE: 09/20/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON

*" Equal Opportunity Employer "*



# John K. Clark, CFC Tax Collector

P. O. Box 3353  
West Palm Beach, FL 33402-3353  
www.pbcgov.com/tax Tel: (561) 355-2622

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD  
4300 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

License Number:

Dear Business Owner:

This is your new occupational license. Please keep the upper portion for your records and the bottom of this form. Verify the information and display it conspicuously at your business, open to the view of the public.

This license is in addition to and not in lieu of any other license required by law or ordinance and is subject to regulations of zoning, health, and any other lawful ordinance (Ordinance Number 72-7).

Licenses may be transferred to a new **owner** when evidence of a sale is provided and the original license is surrendered and a transfer fee is paid.

Licenses may be transferred to a new **location** when proof of zoning approval is provided and the original license is surrendered and a transfer fee is paid.

Business name changes require a new license.

This license **expires on September 30, 2003**. Renewal notices are mailed to you. If you do not receive the notice by the middle of August, please let us know.

I hope you have a successful year.

Tax Collector

PKS 75 (12/99) (10/03) (4/01)

\*\*\*\* DETACH AND DISPLAY BOTTOM PORTION, AND KEEP UPPER PORTION FOR YOUR RECORDS

**2003-10672**

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD

\*\* LOCATED AT

4151 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

APARTMENTS (23 UNITS)

THIS IS NOT A BILL -

PAID: PBC TAX COLLE  
\$36.11 OCC 004 02301

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

THIS LICENSE VALID ONLY IN  
PALM BEACH COUNTY  
TAX COLLECTOR

2003-01099

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

OH-004  
CLASSIFICATION

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOCIATES LTD

\*\* LOCATED AT

CNTY: \$44.74

4211 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

TOTAL \$44.74

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

APARTMENTS (19 UNITS)

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

**THIS IS NOT A BILL - DO NOT PAY**

VALID 08/16/2002 - 09/30/2006  
PAID: PBC TAX COLLECTOR  
\$44.74 OCC 003 10149 08-16-2002

**THIS LICENSE VALID ONLY WHEN RECEIPTED BY  
TAX COLLECTOR**



CONSTRUCTION SERVICES DEPARTMENT  
P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/659-8096  
Fax: 561/659-8026

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIF  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTE  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION

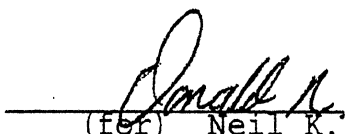
Permit No: 01021180

Type of Permit: BLD-COM      COMMERCIAL BUILDING PERMIT

Address : 4211 SAN MARINO BLVD

Description: BLDG # 6 TYPE III BLDG

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
(for) Neil K.  
BUILDING

DATE: 08/22/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON

*"An Affirmative Action / Equal Opportunity Employer"*



# John K. Clark, CFC Tax Collector

P. O. Box 3353  
West Palm Beach, FL 33402-3353  
www.pbcgov.com/tax Tel: (561) 355-2622

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOC LTD  
4300 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

License Number:

Dear Business Owner:

This is your new occupational license. Please keep the upper portion for your file and the bottom of this form. Verify the information and display it conspicuously at your business, open to the view of the public.

This license is in addition to and not in lieu of any other license required by law or ordinance and is subject to regulations of zoning, health, and any other lawful Ordinance Number 72-7).

Licenses may be transferred to a new owner when evidence of a sale is provided and the license is surrendered and a transfer fee is paid.

Licenses may be transferred to a new location when proof of zoning approval is provided and the original license is surrendered and a transfer fee is paid.

Business name changes require a new license.

This license expires on **September 30, 2003**. Renewal notices are mailed to you. If you do not receive the notice by the middle of August, please let us know.

I hope you have a successful year.

Tax Collector

PRINTED FLORIDA 190 OF 23000

\*\*\*\*\* DETACH AND DISPLAY BOTTOM PORTION, AND KEEP UPPER PORTION FOR YOUR RECORDS

**2003-03290**

STATE OF FLORIDA  
PALM BEACH COUNTY  
OCCUPATIONAL LICENSE

**EXPIRES: SEPTEMBER - 30 - 2003**

SAN MARINO AT LAGUNA LAKES  
BEAR LAKES ASSOC LTD

\*\* LOCATED AT

4211 SAN MARINO BLVD  
WEST PALM BEACH FL 33409

Is hereby licensed at above address for the period beginning on the first day of October and ending on the thirtieth day of September to engage in the business, profession or occupation of:

APARTMENTS (23 UNITS)

**THIS IS NOT A BILL -**

VALID 09/11/2002 - 09/30/2003

PAID: PBC TAX COLLECTOR

\$54.16 OCC 003 11479

JOHN K. CLARK, CFC  
TAX COLLECTOR, PALM BEACH COUNTY

THIS LICENSE VALID ONLY IN  
PALM BEACH COUNTY  
TAX COLLECTOR





CONSTRUCTION  
P.O.  
West Palm I  
Telephone:  
Fax:

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS  
CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIF  
THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTED  
WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION


Permit No: 01021181

Type of Permit: BLD-COM COMMERCIAL BUILDING PERMIT

Address : 4200 SAN MARINO BLVD

Description: BUILD #7 TYPE IV 1997 SBC \*\*\*ROLL PL

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
\_\_\_\_\_  
(for) Neil K.  
BUILDING

DATE: 09/30/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON

"Equal Opportunity Employer"

CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS OF THE BUILDING CODE AS ADOPTED BY THE CITY OF WEST PALM BEACH CERTIFYING THAT AT THE TIME OF ISSUANCE THIS STRUCTURE HAD BEEN INSPECTED FOR COMPLIANCE WITH THE ORDINANCES REGULATING BUILDING CONSTRUCTION AND USE.

Permit No: 01021195

Type of Permit: BLD-COM      COMMERCIAL BUILDING PERMIT

Address : 4200 N MILITARY TRL

Description: CLUBHOUSE 5187 SQ FT

-----  
Contractor: ALLIANCE CONSTRUCTION  
2121 PONCE DE LEON BLVD  
CORAL GABLES, FL 33134

  
(for) Neil K. Melick  
BUILDING OFFICIAL

DATE: 11/26/2002

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON THE PREMISES

*"Equal Opportunity Employer"*

Florida Inspection Service Team, Inc.
P.O. Box 661671
Miami Springs, FL 33266
Main Office Ph: 305.884.5449 · Fax: 305.884.5418
West Coast Ph: 239.540.9474 · Fax: 239.549.2587



WOOD DESTROYING ORGANISMS INSPECTION REPORT
SECTION 482.226, Florida Statutes

Licensee Name FLORIDA INSPECTION SERVICE TEAM, INC. License Number JB118937

Licensee Address 8306 NW SOUTH RIVER DRIVE, MEDLEY, FL 33166

Inspector [Signature] Inspection Date 8/17/04 Identification Card No.

Requested By J. Laomacini Buyer Sun Marino 355, LLC

Property Inspected 4300 SAN MARINO BLA. West Palm Beach FL

Specific structures inspected: [ ] House [ ] Townhouse [ ] Duplex [ ] Building [ ] Condominium [ ] Apartment

Structures of property NOT inspected: [ ] Rear Structure [ ] Deck [ ] Wooden Fence [ ] Other

Areas of structure NOT inspected: [x] Parts of Attic [ ] Voids & Partitions [ ] Crawl Space [ ] Overhang

[x] Utility Room [ ] Under Carpeting [ ] Closets [ ] Behind Furnishings

[x] Attic [ ] Locked Areas [ ] Garage

Reason Not Inspected: Not accessible for visual inspection.

(355 unit)

SCOPE OF INSPECTION

"Wood-destroying organism" means arthropod or plant life which damages and can reinfest seasoned wood in a structure, namely termites, powder post beetles, oldhouse borers, and wood decaying fungi.

THIS REPORT IS MADE ON THE BASIS OF WHAT WAS VISIBLE AND ACCESSIBLE AT THE TIME OF INSPECTION and is not an opinion covering such areas such as, but not necessarily limited to, those that are enclosed or inaccessible, areas concealed by wall coverings, floor coverings, furniture, equipment, stored articles, or any portion of the structure in which inspection would necessitate removing or defacing any part of the structure.

THIS IS NOT A STRUCTURAL DAMAGE REPORT. A wood-destroying organisms inspector is not ordinarily a construction or building trade expert and is therefore not expected to possess any special qualifications which would enable him to attest to the structural soundness of the property. IF VISIBLE DAMAGE OR OTHER EVIDENCE IS NOTED IN THIS REPORT (ITEM NUMBER (3) OF THIS REPORT), FURTHER INVESTIGATION BY QUALIFIED EXPERTS OF THE BUILDING TRADE SHOULD BE MADE TO DETERMINE THE STRUCTURAL SOUNDNESS OF THE PROPERTY. THIS REPORT SHALL NOT BE CONSTRUED TO CONSTITUTE A GUARANTEE OF THE ABSENCE OF WOOD-DESTROYING ORGANISMS OR DAMAGE OR OTHER EVIDENCE UNLESS THIS REPORT SPECIFICALLY STATES HEREIN THE EXTENT OF SUCH GUARANTEE.

REPORT OF FINDINGS

(1) Visible evidence of wood-destroying organisms observed [x] No [ ] Yes (common name of organism) N/A

Locations: \_\_\_\_\_

(2) Live wood-destroying organisms observed [x] No [ ] Yes (common name of organism) N/A

Locations: \_\_\_\_\_

(3) Visible damage observed [x] No [ ] Yes (common name of organism) N/A

Locations: \_\_\_\_\_

(4) Visible evidence of previous treatment observed [x] No [ ] Yes

Explain: \_\_\_\_\_

(5) This company has treated the structure at time of inspection. [x] No [ ] Yes If Yes: A copy of the contract is attached

(organism treated) \_\_\_\_\_ (pesticide used) N/A

(6) This company has treated the structure [x] No [ ] Yes If Yes: Date of Treatment N/A

(common name of organism) \_\_\_\_\_ (common name of pesticide) N/A

(7) A notice of this inspection and/or treatment has been affixed to the structure. Location: N/A

Comments: N/A

IMPORTANT NOTE: Due to insidious nature of wood-destroying organisms and the limitations of the visual inspection F.I.S.T. or his qualified inspector do not guarantee the absence wood-destroying organisms or damage or other evidence at the time of the inspection. This report is not valid after 30 days from the date of the inspection. Neither the licensee nor the inspector has any financial interest in the property inspected or is associated in any way in the transaction with any party to the transaction other than for inspection purposes.

Signature of Licensee or Agent [Signature] Date \_\_\_\_\_

Florida #130645 (11-05) REV. 11-92 (Obsolete Previous Editions)

Inspection Fee: \_\_\_\_\_

Extermination Fee: \_\_\_\_\_

Make payment to:
Florida Inspection Service Team, Inc.
P.O. Box 661671
Miami Springs, FL 33266



PLANNING DEPARTMENT  
P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/659-8031  
Fax: 561/653-2605

July 21, 2004

Jeffrey Lagomacini  
14160 Palmetto Frontage Road  
Miami Lakes, Florida 33016

**Subject: Condominium Conversion (74-42-43-12-22-009-0000)  
4300 San Marino Boulevard, West Palm Beach, Florida**

Dear Mr. Lagomacini:

We understand that you represent 4300 San Marino Boulevard and/or its assignee in connection with its proposed purchase of the above referenced property. Pursuant to Section 718.616(4), Florida Statutes, the City of West Palm Beach hereby acknowledges that it has been notified of the proposed creation of a residential condominium by conversion of existing, previously occupied improvements on the subject property.

The subject property is located in the Residential Planned Development (RPD) zoning district, pursuant to Ordinance No. 3387-00 and Resolution No. 09-01 (ENCLOSURE). The RPD district permits multiple-family residences as a matter of right.

Based upon information contained within the City's building and licensing records, the subject property should consist of 355 apartment units plus parking and related amenities. The proposed conversion of 355 existing apartment units into residential condominiums is permitted in compliance with the City's zoning regulation with regard to these issues.

Sincerely,

Robin D. Singer  
Planning and Zoning Administrator

Enclosure

c. Claudia McKenna, City Attorney  
Josh Long, Planner

Exhibit "F"

Sharing Agreement

wlc 69 ✓

Nov-17-2000 01:58pm 00-440987  
ORB 12141 Pg 1131

Prepared by and Return to:  
CHARLES A. LUBITZ, ESQUIRE  
Boose, Casey, Ciklin, Lubitz,  
Martens, McBane & O'Connell  
17th Floor - Northbridge Tower I  
515 North Flagler Drive  
West Palm Beach, Florida 33401

**COST SHARING AND COOPERATION AGREEMENT**

This Cost Sharing and Cooperation Agreement (the "Agreement") is made this 16<sup>th</sup> day of November, 2000, by and between The TBM GENERAL PARTNERSHIP, a Florida general partnership, whose address is 324 Royal Palm Way, Palm Beach, Florida 33480 ("TBM"), CATALINA DEVELOPERS, L.C., a Florida limited liability company whose address is 324 Royal Palm Way, Palm Beach, Florida 33480 ("Catalina"), WINDSOR FLORIDA PROPERTIES II, L.L.C., a Florida limited liability company, whose address is One Clearlake Center, 250 Australian Avenue South, Suite 400, West Palm Beach, Florida 33401 ("Windsor II"), and WINDSOR FLORIDA PROPERTIES III, L.L.C., a Florida limited liability company, whose address is One Clearlake Center, 250 Australian Avenue South, Suite 400, West Palm Beach, Florida 33401 ("Windsor III").

**RECITALS:**

- A. Each of the parties hereto are the owners of separate parcels of real property situate within a developable tract of land as more fully described on Exhibit "A" attached hereto (the "Total Premises").
- B. In particular, TBM owns that portion of the Total Premises described on Exhibit "B" attached hereto (the "TBM Property"), Catalina owns that portion of the Total Premises described on Exhibit "C" attached hereto (the "Catalina Property"), Windsor II owns that portion of the Total Premises described on Exhibit "D-1" attached hereto and Windsor III owns that portion of the Total Premises described on Exhibit "D-2" (the premises described on Exhibits D-1 and D-2 are hereinafter referred to as the "Windsor Property").
- C. The parties desire to provide for the sharing of various expenses of development of the Total Premises that benefit each of their separately owned properties, including certain of those expenses previously incurred as listed on Exhibit "E" hereof.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Costs Not to Be Shared.

To the extent that any of the parties has made or shall make improvements anywhere within or without the Total Premises that shall be solely for the benefit of their particular parcel of property, the entire cost thereof shall be paid by said party. In the case of Windsor II and/or Windsor III (hereinafter "Windsor"), such improvements are anticipated to include, without limitation, the items set forth on Exhibit "F" attached.

2. Costs to Be Shared.

Attached hereto as Exhibit "G" is a list which includes those improvements that have been or are anticipated to be performed at the Total Premises that will benefit some or all of the Windsor Property, the TBM Property and the Catalina Property. With respect to such improvements, but subject to the provisions of Section 4 hereof as it affects TBM, the costs are to be shared by the parties benefitting from the same (the "Benefitting Parties"), their successors and assigns, in accordance with the methods specifically provided in this Agreement for each category of improvement. For any improvement for which a specific method of allocation is not provided the cost sharing percentages set forth on Exhibit "H" attached (the "Allocable Shares") will apply. In the event that the improvement in question shall benefit some but not all of the various parcels within the Total Premises then the parties benefitting therefrom shall share in the cost thereof in the ratio that their respective Allocable Shares bear to each other.

3. Payment for Shares of Improvement.

a. With respect to improvements already in place as identified on Exhibit "E" attached, the Benefitting Parties, shall pay to the party having made the improvement their respective Allocable Shares at such time that the Benefitting Party shall have closed a construction loan and posted a Notice of Commencement with respect to some or all of their respective properties as described herein.

b. Subject to the provisions of Paragraph 4 hereof, with respect to those improvements to be made for which the costs are to be shared, the party responsible for making the improvement (the "Responsible Party") shall provide to each of the Benefitting Parties a copy of the proposed contract, agreement or estimate, as the case may be, which shall include all of those third party costs associated with the performance of the actual work, as well as a listing of those costs associated with the permitting, governmental approvals, architectural and engineering services and other costs directly attributable to the work plus 5% to cover the overhead of the Responsible Party (the "Improvement Cost"). The Benefitting Parties shall promptly review the submission and may either approve of the Improvement Cost, which approval shall not be unreasonably withheld, or specify in writing what reasonable changes the Benefitting Party requires. If the Benefitting Party requires any reasonable changes, the Responsible Party shall cause the Improvement Cost to be modified in accordance with the Benefitting Party's reasonable requirements and promptly resubmit them to the Benefitting Parties. The modification and resubmission shall continue until the Improvement Cost has been approved by the Benefitting and Responsible Party. A submission shall be deemed approved if the Benefitting Party shall not have responded on or before 7 days after receipt of a

submission. Once an Improvement Cost has been approved by the parties, no changes may be made to the same without the written consent of each of them.

c. Payment by the Benefitting Parties of their respective Allocable Share of the Improvement Cost shall be made following receipt by the Benefitting Parties of a *bona fide* invoice submitted by the Responsible Party accompanied by (i) a certification from the Responsible Party that it has approved the work for which the invoice was submitted, and (ii) a certification by Michael B. Schorah or, if he is unavailable Kimly-Horn & Associates, Inc., that the work has been satisfactorily completed and materials are in place as indicated by the invoice. For invoices submitted on or before the fifteenth day of the month payment will be due and made by the fifth day of the following month. If the Benefitting Party has not closed on a construction loan and posted a Notice of Commencement then payment for the work will not be made until five days after such a closing and posting, and the Benefitting Party shall be obligated to pay the Responsible Party interest at the rate of 9% per annum from the date the payment would have been due. Notwithstanding the foregoing, any Benefitting Party shall be required to make payment of its respective Allocable Share no later than six months after the date that the invoice was submitted by the Responsible Party.

d. The Responsible Party will be determined by voluntary election based on the development requirements of each of the parties. In general the party requiring a certain portion of the shared improvements to be completed for the development of its Tract may make an election to be the Responsible Party for any such shared improvement regardless of where the intended improvement is located. At least 60 days prior to the start of any work a party desiring to be the Responsible Party shall give notice to the other parties stating such and describing in detail the portion of the improvements that it desires to complete and the intended schedule for completing the improvements. The other parties shall have seven days to respond to the notice either accepting the election of the Responsible Party and the timetable or stating its opposition to any portion of the notice. At least 30 days prior to the start of the work the agreed upon Responsible Party shall secure and share with the other parties at least three detailed bids showing takeoff quantities and costs from qualified contractors for each component of the improvements it intends to perform. If the Responsible Party either fails to commence the work in a timely manner or fails to prosecute the work in a reasonable manner once started, then any other party to this Agreement may elect to take over as the new Responsible Party all or a portion of any of the work that is required in whole or in part for the development of its property. The Responsible Party will remove any mechanics liens filed by its contractors that encumber the property of a Benefitting Party within 30 days.

e. The 15.65-acre lake (defined as the lake surrounded by Tracts D, I, G and H as shown on the July 17, 2000 approved Briger PCD) will be constructed to a minimum design depth of elevation -2.0 feet with lake slope profiles based on soil conditions and governmental requirements. Windsor shall have the right to excavate a portion of the lake as necessary to satisfy its requirements for storage, drainage and fill for Tracts C and D and the entry road from Military Trail to the cul-de-sac between Tracts C and D. Windsor may dig its portion of the lake to a maximum depth of elevation -8.0 if necessary to generate the required drainage and fill for Tract C, D and the entry road. Subject to final calculations, the estimated area required by Windsor for water management purposes is 5 to 6 acres yielding a water surface area of 4.5 acres. Windsor shall not export any fill



from the Briger PCD and any excess fill that Windsor is required to excavate shall be stockpiled as discussed in Exhibit G, Item 7. Alternatively, Windsor and TBM may mutually agree that portions of the work such as clearing, grubbing, excavation of the lake and spreading and compaction of fill should be performed by a single party to benefit all of the participating parcels. In that event a single party shall be the Responsible Party for those particular agreed-upon improvements and with respect to a master contract for lake excavation and fill placement, the master contract shall be structured to allow the contractor to export fill at a profit so as to realize the lowest possible per unit costs to the Benefitting Parties. The master contract for the excavation and fill placement shall be structured so that the Responsible Party shall not benefit by payment for the generation of excess fill exported by more than \$5.50 per cubic yard. The master contract costs for clearing and grubbing will be allocated to the Benefitting Parties based on their respective Tract acreages. The master contract costs for digging the lake and filling, spreading and compacting will be allocated to the Benefitting Parties based on the respective cubic yards of material transported to each Tract. The provisions of Exhibit G, Item 7, shall govern the handling of excess fill generated by Windsor.

f. With respect to the fill presently stockpiled in the proposed drainage way south of Tract A (the "fill location"), TBM agrees subject to the sentence next succeeding to remove such fill prior to the date that any party starts construction of that portion of the drainage system. The Responsible Party for the construction of the drainage shall give TBM thirty days notice of the need to remove the fill which Notice may not be given sooner than the last to occur of (i) January 1, 2001, or (ii) the date upon which the Responsible Party shall have obtained the necessary governmental permit to clear and excavate the fill location as well as having entered into a contract with a contractor to complete the drainage improvement work. If TBM fails to remove the fill the Responsible Party will then have full ownership and possession of the fill and may move or dispose of it. Any cost incurred in moving such fill shall be offset by any proceeds of the fill which may be sold and the net shall be a shared Improvement Cost.

g. With respect to the proposed temporary taking by FDOT of approximately nine to ten feet along Military Trail the parties agree to execute the necessary papers to accept the offer of compensation proposed by FDOT and to share such compensation in proportion to the linear frontage of each party in the proposed taking. Such agreement is, however, contingent on FDOT segregating the compensation for the temporary taking from any other proposed compensation.

4. TBM Exclusion.

Unless and until TBM shall engage in the "development of the TBM Property" (as hereinafter defined) it shall have no obligation to pay any share of the Improvement Cost (the "TBM Exclusion"). Instead, the Responsible Party and the Benefitting Parties in the ratio that their Allocable Shares bear to each other shall pay the unallocated amount (the "Unallocated Share"). However, if at any time TBM shall commence development of the TBM Property, sell all or a portion thereof, or sell all or a portion thereof, or sell the majority of the partnership interests in TBM, then immediately upon the occurrence of such event, the TBM Exclusion (to the extent of the portion of the Property developed or sold based upon a calculation of acreage) shall terminate and, within five days following such termination, TBM or its vendee (as the case may be) shall reimburse the parties having contributed the Unallocated Share together with interest at the rate of 9% per

annum from the date of payment of the Unallocated Share to the date of repayment. As used herein the term "development of the TBM Property" shall mean the date upon which a building permit shall be issued for any part of the TBM Property. However, anything herein to the contrary notwithstanding, a dissolution of the TBM general partnership and a distribution of its assets to the former partners thereof or their respective assigns shall not be an event terminating the TBM Extension.

5. Default.

If a default shall be made by any party in the payment of any monies due hereunder, which default shall continue for a period of ten days after notice thereof from a non-defaulting party, the non-defaulting party or parties may exercise any or all of their rights and remedies as may be available at law or in equity to require that the defaulting party make payment to the non-defaulting party of the amount owing together with interest at the maximum rate allowed by law.

6. Lien Rights.

In the event of a default in payment of an Allocable Share, any non-defaulting party or parties, upon having made payment of the Allocable Share of the defaulting party, shall have the right to file a lien for the delinquent amounts plus interest thereon at the maximum rate allowed by Florida law against the portion of the Total Premises owned by the defaulting party. Such lien(s) may be foreclosed by the non-defaulting party or parties in proceedings in the nature of a mortgage foreclosure under the Florida Mortgage Foreclosure Law (or other applicable law), with all of the rights and remedies afforded by the laws of the State of Florida to secure mortgage creditors in such proceedings. In the case of a party having paid the Unallocated Share, such party shall have the right to file a lien against the TBM Property for such amount but shall have no right to foreclose the same unless TBM or a subsequent purchaser from TBM shall default in reimbursing said party in accordance with the provisions of Paragraph 4 hereof.

7. Insurance.

Each party, and all subsequent purchasers except for TBM unless and until it shall commence development of the TBM Property shall carry (or cause to be carried) with financially responsible insurance companies, comprehensive general liability insurance covering its legal liability in connection with claims for personal injury or death, and property damage incurred upon or about the Total Premises. Such insurance shall have limits of not less than \$5,000,000 per occurrence. Each party and all subsequent purchasers hereto shall add the other as an additional insured under such insurance and shall, on the request of the other party, promptly furnish a certificate evidencing compliance with the insurance coverage requirements of this paragraph. Each certificate of insurance shall stipulate therein that the insurance evidenced thereby shall not be materially reduced, canceled or not renewed unless thirty days prior written notice shall have been given by the insurer to the additional insured.

8. Cooperation.

a. Each of the parties hereto recognizes and agrees that in order to provide utility service, ingress and egress and traffic control for the development of their separate properties it may be necessary that the owners of adjoining properties who are parties to this Agreement grant easements for the installation of utilities, ingress and egress and traffic control including a deceleration lane along Military Trail bordering Parcel K. Accordingly, the parties hereto agree that provided the same shall not unreasonably interfere with or materially burden development of the property upon which such easement is sought to be located, the parties hereto shall grant the said easements which requested to do so. In connection therewith, the party granting the easement may condition the same upon their being provided to it such insurance coverage as it may reasonably require, protection against the imposition of mechanics or other liens occasioned by work performed in the easement and assurances that all work performed and material supplied with respect to any such easements shall be at the sole expense of the party requesting the same unless the easement is for a shared cost improvement subject to the terms of this Agreement

b. The approved densities, land use designations, acreage and number of units for each Tract are shown on the Master Development/Land Use Plan of the Briger PCD dated July 17, 2000 and as such plan may be changed from time to time (the "Master Plan"). Should any owner of one or more Tracts seek approval for a change in the density, land use designation, zoning category, size of Tract, types of units or number of units designated for the Tract from that shown on the then current Master Plan such that the total number of trips calculated for all Tracts owned by such owner would increase from the aggregate number for all of such owner's tracts calculated based on the Master Plan then that owner shall specify in his applications to the City of West Palm Beach and Palm Beach County and make a condition of any such approvals that any potential concurrency related delays to development or costs caused by the additional trips shall only affect his Tract or Tracts and shall not burden in any way or jeopardize the approvals or the ability to develop the other Tracts. Regardless of the specific language in the final approval for such change, the Tract owner obtaining the approval shall take the necessary steps and incur any additional costs to insure that the other Tract owners are not in any way burdened by any potential concurrency issues related to the additional trips.

9. Property Owners Association and Specific Cost Allocations.

a. The Total Premises is subject to the Declaration of Covenants and Restrictions of the Lakes of Laguna ("the Declaration"). The Laguna Master Association, Inc. ("the Association") is responsible for the administration and enforcement of the Declaration. The parties to this Agreement agree to take the necessary steps including recording new neighborhood declarations and seeking the approval, if required, of any third parties to create one or more Neighborhood Associations for the Windsor Property together with certain other tracts of the Briger PCD that will be sharing certain maintenance costs. It is the intent of the parties to this Agreement that Windsor and the Windsor Property shall not be responsible for the costs of construction and maintenance of any common areas outside of the Windsor Property except for portions of the following areas and costs:

- i. The Main Entry Road and Main Entry Road Feature as defined in Exhibit G.

The cost of construction and maintenance for these areas as well as the cost of any future traffic light at the Main Entry Road is to be shared with those property owners having access through the Main Entry Road in proportion to the number of units developed or to be developed in each parcel.

- ii. The upland adjacent to Tract D along the 15.65-acre lake to the water's edge which will be maintained by Windsor. The upland along the other Tracts will be maintained by each bordering Tract or by the Laguna Master Association without charge to Tracts C and D.
- iii. The 15.65 acre lake adjoining Tract D. The cost of construction of this lake is to be shared as described in Subparagraph 3(e) to this Agreement. The cost of construction of the lake interconnects shown on the proposed plat of Windsor at Palm Beach Lakes and all related drainage control structures connecting into the public drainage system shall be allocated to Windsor based on the percentages in Exhibit H. If Windsor is the Responsible Party for installing the lake interconnects and related drainage control structures then Windsor will only be responsible for the construction of the minimum improvements required for Tracts C and D. The cost of maintenance for the lake and the downstream drainage system is to be shared by those parcels utilizing the lake and the downstream drainage system for drainage in proportion to the relative percentages in Exhibit H. The Commercial Tract shall also share in the maintenance and construction of the portion of the drainage system that it utilizes. When completed the lakes and drainage structures to be constructed shall be consistent with the Master Permit conceptual approval previously granted by SFWMD. The cost of constructing and maintaining any additional lakes lying within the boundaries of a Tract shall be allocated 100% to the benefitting Tract.
- iv. The 8.032-acre park in the northeast corner of the Briger PCD, but only if the residents of Tracts C and D have a right to use the park and facilities. In lieu of sharing in the actual cost of the park improvements Windsor may elect at its option to pay to the party responsible for building the park its proportionate share of the total amount of the stipulated park improvement cost contained in the letter agreement with the City. This total amount is \$175,133. Alternatively, if Windsor is obligated to share in the cost of the park improvements Windsor shall have the right to reasonably approve the improvements. If the ownership of the park is returned to TBM or any of its vendees such that the City does not require that the public or, in the alternative, all residents within the Lakes of Laguna have access to the park, then Windsor will have no obligation for the construction or maintenance of the park and Windsor will incorporate a provision in its leases to prohibit its tenants from utilizing the park.
- v. Any emergency access points on the perimeter of Tracts C and D which cross a common area.

vi. The costs of liability insurance covering any areas designated as common areas within the limits of the Neighborhood Association.

b. Windsor shall contribute to the Neighborhood Association for the maintenance of the areas listed above.

c. Neither Windsor nor the Neighborhood Association shall have any responsibility for the cost of constructing or maintaining the 4.3 acre Private Recreation park shown on the Briger PCD.

d. Subject to its reasonable approval as to the terms thereof TBM will join in a Neighborhood Association covering tracts C, D, I and K as such tracts are depicted on the Briger PCD Master Plan. However, TBM shall have no responsibility for the cost of creating such Association including, without limitation, attorney's fees associated with drafting Association documents, and its participation therein shall be subject to the TBM Exclusion as referred to in Section 4 hereof to the extent that said Neighborhood Association documents would impose any obligation on it to participate in sharing any of the expenses thereof.

10. Waivers.

No delay or omission in exercising any right or remedy accruing under the provisions of this Agreement shall impair any right or remedy or be construed to be a waiver thereof. No express waiver of any default, right or remedy shall affect any default or cover any period of time other than the default, right or remedy specified in such express waiver. One or more waivers by any of the parties hereto of any of the covenants, conditions or agreements hereof shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained. The consent or approval by any party to this Agreement to or of any act or request by any other party or parties hereto requiring consent or approval shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent similar acts or requests.

11. Counterparts.

This Agreement may be signed in several counterparts, each of which shall be deemed an original and all such counterparts together shall constitute one and the same instrument.

12. Partial Invalidity.

If any term, provision, condition or covenant contained in this Agreement shall, to any extent, be held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement (or the application of such term, provision or condition to persons or circumstances other than those in respect of which it is held invalid or unenforceable) shall not be affected thereby, and each and every other term, provision and condition of this Agreement shall, nevertheless, remain in full force and effect.

13. Captions.

The captions of the Sections of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

14. Notices.

The following notice provisions shall apply to all notices or communications required or permitted to be given under or pursuant to this Agreement ("Notices"). Notices shall be in writing, addressed to the parties at their respective addresses provided below, and will be delivered in person, sent by nationally recognized overnight courier service, or sent by United States certified or registered mail, postage prepaid, return receipt requested. If sent by nationally recognized overnight courier service, the Notice shall be deemed to be delivered one (1) business day after being deposited during business hours with such courier. If mailed, the Notice shall be deemed to have been delivered three (3) business days after the date of mailing. Until further notice sent in accordance with these notice provisions, the addresses of the parties to which such Notices are to be addressed are as follows:

If to TBM:

The TBM General Partnership  
324 Royal Palm Way  
Palm Beach, FL 33480  
Attention: Prescott Lester  
phone no. (561) 835-8118  
fax no. (561) 835-9447

with a copy to:

Charles Lubitz, Esq.  
Boose, Casey, Ciklin, Lubitz, Martens, McBane & O'Connell  
515 N. Flagler Drive, 19th Floor  
West Palm Beach, FL 33401  
phone no. (561) 832-5900  
fax no. (561) 820-0381

Howard Lester, Esq.  
7 Via Los Incas  
Palm Beach, FL 33480  
phone no. (561) 833-0109  
fax no. (561) 833-4535

If to Catalina:

Catalina Developers, L.L.C.  
324 Royal Palm Way  
Palm Beach, FL 33480  
Attention: Prescott Lester  
phone no. (561) 835-8118  
fax no. (561) 835-9447

with a copy to: Charles Lubitz, Esq.  
Boose, Casey, Ciklin, Lubitz, Martens, McBane & O'Connell  
515 N. Flagler Drive, 19th Floor  
West Palm Beach, FL 33401  
phone no. (561) 832-5900  
fax no. (561) 820-0381

Howard Lester, Esq.  
7 Via Los Incas  
Palm Beach, FL 33480  
phone no. (561) 833-0109  
fax no. (561) 833-4535

If to Windsor: Windsor Florida Properties  
250 Australian Avenue South, Suite 400  
West Palm Beach, FL 33401  
Attention: James C. Elwood, President  
phone no. (561) 820-1300  
fax no. (561) 833-2875

with a copy to: Joel A. Savitt  
Joel A. Savitt, P.A.  
20801 Biscayne Blvd., Suite 506  
Aventura, FL 33180  
Ph: 305-936-8844  
Fax: 305-936-1804

15. Attorney's Fees.

In the event that any party hereto shall institute any action or proceeding against the other relating to the provisions of this Agreement or any default hereunder, then, in that event, the prevailing party shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees, paralegal's fees and costs and expenses of litigation (including those pertaining to appeals).

16. Governing Law.

This Agreement shall be construed under and in accordance with the laws of the State of Florida.

17. Time of Essence.

Time is of the essence of this Agreement.

18. Binding Effect.

This Agreement shall be binding and inure to the benefit of the parties hereto and their

respective legal representatives, successors and assigns.

19. Modifications.

No modification, amendment or discharge of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, amendment or discharge is sought.

20. Entire Agreement.

This Agreement contains the entire agreement between the parties relating to the matters contemplated hereby, and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, are superseded hereby.

21. Covenants Running with the Land.

All of the covenants, agreements and conditions set forth in this Agreement are intended to be and shall be construed as covenants running with the land, and shall be binding upon, inuring to the benefit of, and enforceable by the parties hereto, their respective heirs, successors and assigns. Moreover, TBM agrees that if prior to the recordation of this Cost Sharing Agreement in the Official Records of Palm Beach County it shall sell all or any part of the TBM Property there shall be included in the applicable contract of sale an acknowledgment on the part of the Purchaser that it is accepting title subject to the provisions hereof and will, at the time of closing, assume the obligations of a purchaser from TBM as more particularly provided in Paragraph 4 hereof.

\*\*\*SIGNATURE PAGES FOLLOW\*\*\*





STATE OF NEW YORK  
COUNTY OF QUEENS

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of November, 2000, by DAVID MINKIN, Managing General Partner, on behalf of THE TBM GENERAL PARTNERSHIP, a Florida general partnership. He is personally known to me or has produced ✓ (indicate form of identification) (if left blank personal knowledge existed) as identification.

✓ Vivian Pearlstein  
Notary Public State of New York  
Notary Print Name:  
✓ VIVIAN PEARLSTEIN

My Commission Expires:  
✓ 9/30/02

(NOTARY SEAL) ✓

VIVIAN PEARLSTEIN  
Notary Public, State of New York  
No. 41-01PE4816525  
Qualified in Queens County  
Commission Expires Sept. 30, 2002

STATE OF NEW YORK  
COUNTY OF QUEENS

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of November, 2000, by DAVID MINKIN, Managing Member of CATALINA DEVELOPERS, L.C., a Florida limited liability company, on behalf of the company. He is personally known to me or has produced ✓ (indicate form of identification) (if left blank personal knowledge existed) as identification.

✓ Vivian Pearlstein  
Notary Public State of New York  
Notary Print Name:  
✓ VIVIAN PEARLSTEIN

My Commission Expires:  
✓ 9/30/2002

(NOTARY SEAL) ✓

VIVIAN PEARLSTEIN  
Notary Public, State of New York  
No. 41-01PE4816525  
Qualified in Queens County  
Commission Expires Sept. 30, 2002

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 11th day of November, 2000, by JAMES C. ELWOOD, Managing Member of WINDSOR FLORIDA PROPERTIES II, L.L.C., a Florida limited liability company, on behalf of the company. He is personally known to me or has produced FL DRIVER'S LICENSE (indicate form of identification) (if left blank personal knowledge existed) as identification.

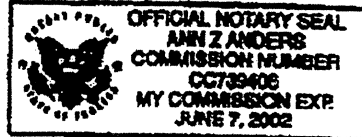


Notary Public State of Florida

Notary Print Name:  
ANN Z. ANDERS

My Commission Expires:  
\_\_\_\_\_

(NOTARY SEAL)



STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 11th day of November, 2000, by JAMES C. ELWOOD, Managing Member of WINDSOR FLORIDA PROPERTIES III, L.L.C., a Florida limited liability company, on behalf of the company. He is personally known to me or has produced FL DRIVER'S LICENSE (indicate form of identification) (if left blank personal knowledge existed) as identification.



Notary Public State of Florida

Notary Print Name:  
ANN Z. ANDERS

My Commission Expires:  
\_\_\_\_\_

(NOTARY SEAL)

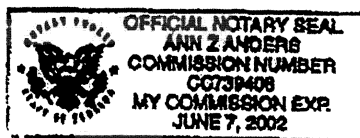


Exhibit "A"

Total Premises  
(Briger PCD less the Community Park and the Commercial Parcel)

Page 1 of 2

LEGAL DESCRIPTION NO. 1

A PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 54, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 88°14'08" EAST, ALONG THE NORTH LINE OF SAID BRIGER TRACT PLAT NO. 1, A DISTANCE OF 379.44 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE HEREIN DESCRIBED; THENCE CONTINUE SOUTH 88°14'08" EAST, A DISTANCE OF 1280.56 FEET TO THE NORTHWEST CORNER OF THE LAKES OF LAGUNA, AS RECORDED IN PLAT BOOK 75, PAGES 162 THROUGH 165, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE SOUTH 01°45'52" WEST, ALONG THE WEST LINE OF SAID PLAT OF THE LAKES OF LAGUNA, A DISTANCE OF 376.00 FEET; THENCE SOUTH 88°14'08" EAST, A DISTANCE OF 10.00 FEET; THENCE SOUTH 01°45'52" WEST, A DISTANCE OF 248.88 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 20°51'06", AND A RADIUS OF 1058.00 FEET, A DISTANCE OF 385.04 FEET; THENCE SOUTH 67°23'02" EAST, ALONG A LINE RADIAL TO SAID CURVE, A DISTANCE OF 80.00 FEET TO A POINT ON A CURVE CONCAVE TO THE NORTHWEST AND WHOSE CHORD BEARS SOUTH 30°33'09" WEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 15°52'21", AND A RADIUS OF 1138.00 FEET, A DISTANCE OF 315.26 FEET; THENCE SOUTH 38°20'19" WEST, A DISTANCE OF 186.63 FEET; THENCE SOUTH 05°01'09" EAST, A DISTANCE OF 34.42 FEET TO A POINT ON A CURVE CONCAVE TO THE SOUTHWEST AND WHOSE CHORD BEARS SOUTH 43°04'31" EAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 10°54'13", AND A RADIUS OF 1223.54 FEET, A DISTANCE OF 232.84 FEET TO A POINT ON THE SOUTH LINE OF SAID PLAT OF THE LAKES OF LAGUNA; THENCE SOUTH 87°38'05" EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 1082.78 FEET TO THE SOUTHEAST CORNER OF SAID PLAT OF THE LAKES OF LAGUNA AND A POINT ON THE EAST LINE OF SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 02°21'82" WEST, ALONG SAID EAST LINE, A DISTANCE OF 359.45 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 1273.20 FEET; THENCE NORTH 87°38'18" WEST, A DISTANCE OF 61.00 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 804.90 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 219.02 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 20.00 FEET; THENCE NORTH 88°19'22" WEST, A DISTANCE OF 61.01 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 61.01 FEET TO A POINT ON THE NORTH LINE OF PARCEL 4 AS SHOWN ON SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 88°19'12" EAST, ALONG SAID NORTH LINE OF PARCEL 4, A DISTANCE OF 381.03 FEET TO A POINT ON THE EAST LINE OF SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 02°21'42" WEST, ALONG SAID EAST LINE, A DISTANCE OF 80.01 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 4; THENCE NORTH 88°19'12" WEST, ALONG THE SOUTH

Exhibit "A"

Total Premises  
(Briger PCD less the Community Park and the Commercial Parcel)

Page 2 of 2

LINE OF SAID PARCEL 4, A DISTANCE OF 361.03 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 339.02 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 2298.05 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AND THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1; THENCE NORTH 01°56'43" EAST, ALONG SAID WEST LINE OF BRIGER TRACT PLAT NO. 1, A DISTANCE OF 3444.08 FEET; THENCE SOUTH 88°03'17" EAST, A DISTANCE OF 338.88 FEET; THENCE NORTH 38°21'14" EAST, A DISTANCE OF 594.27 FEET; THENCE NORTH 01°56'42" EAST, A DISTANCE OF 316.94 FEET; THENCE NORTH 38°55'28" WEST, A DISTANCE OF 480.29 FEET TO THE POINT OF BEGINNING AFORE DESCRIBED.

TOGETHER WITH THE LAKES OF LAGUNA, LESS THE PARK AS SHOWN ON THE LAKES OF LAGUNA, AS RECORDED IN FLAT BOOK 75, PAGES 162 THROUGH 165, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

Exhibit "B"

TBM Property  
(Briger PCD less the Community Park, the Commercial Parcel,  
the Plat of Lakes of Laguna and Tracts C & D)

Page 1 of 3

LEGAL DESCRIPTION NO. 2

A PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 34, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 88°14'08" EAST, ALONG THE NORTH LINE OF SAID BRIGER TRACT PLAT NO. 1, A DISTANCE OF 379.44 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE HEREIN DESCRIBED; THENCE CONTINUE SOUTH 88°14'08" EAST, A DISTANCE OF 1290.56 FEET TO THE NORTHWEST CORNER OF THE LAKES OF LAGUNA, AS RECORDED IN PLAT BOOK 75, PAGES 162 THROUGH 165, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE SOUTH 01°45'52" WEST, ALONG THE WEST LINE OF SAID PLAT OF THE LAKES OF LAGUNA, A DISTANCE OF 376.00 FEET; THENCE SOUTH 88°14'08" EAST, A DISTANCE OF 10.00 FEET; THENCE SOUTH 01°45'52" WEST, A DISTANCE OF 248.68 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 20°51'08", AND A RADIUS OF 1058.00 FEET, A DISTANCE OF 385.04 FEET; THENCE SOUTH 67°23'02" EAST, ALONG A LINE RADIAL TO SAID CURVE, A DISTANCE OF 80.00 FEET TO A POINT ON A CURVE CONCAVE TO THE NORTHWEST AND WHOSE CHORD BEARS SOUTH 30°33'09" WEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 15°52'21", AND A RADIUS OF 1138.00 FEET, A DISTANCE OF 315.28 FEET; THENCE SOUTH 38°29'19" WEST, A DISTANCE OF 166.83 FEET; THENCE SOUTH 05°01'09" EAST, A DISTANCE OF 34.42 FEET TO A POINT ON A CURVE CONCAVE TO THE SOUTHWEST AND WHOSE CHORD BEARS SOUTH 43°04'31" EAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 10°54'13", AND A RADIUS OF 1223.64 FEET, A DISTANCE OF 232.84 FEET TO A POINT ON THE SOUTH LINE OF SAID PLAT OF THE LAKES OF LAGUNA; THENCE SOUTH 87°35'08" EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 1082.78 FEET TO THE SOUTHEAST CORNER OF SAID PLAT OF THE LAKES OF LAGUNA AND A POINT ON THE EAST LINE OF SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 02°21'52" WEST, ALONG SAID EAST LINE, A DISTANCE OF 359.45 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 1273.20 FEET; THENCE NORTH 87°38'18" WEST, A DISTANCE OF 61.00 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 804.90 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 219.02 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 20.00 FEET; THENCE NORTH 88°19'22" WEST, A DISTANCE OF 61.01 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 61.01 FEET TO A POINT ON THE NORTH LINE OF PARCEL 4 AS SHOWN ON SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 88°19'12" EAST, ALONG SAID NORTH LINE OF PARCEL 4, A DISTANCE OF 361.03 FEET TO A POINT ON THE EAST LINE OF SAID BRIGER TRACT PLAT NO. 1; THENCE SOUTH 02°21'42" WEST, ALONG SAID EAST LINE, A DISTANCE OF 80.01 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 4; THENCE NORTH 88°19'12" WEST, ALONG THE SOUTH

Exhibit "B"

TBM Property  
 (Briger PCD less the Community Park, the Commercial Parcel,  
 the Plat of Lakes of Laguna and Tracts C & D)

Page 2 of 3

LINE OF SAID PARCEL 4, A DISTANCE OF 361.03 FEET; THENCE SOUTH 02°21'42" WEST, A DISTANCE OF 339.02 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 2298.05 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AND THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1; THENCE NORTH 01°56'43" EAST, ALONG SAID WEST LINE OF BRIGER TRACT PLAT NO. 1, A DISTANCE OF 1824.83 FEET; THENCE SOUTH 88°03'17" EAST, A DISTANCE OF 477.57 FEET; THENCE NORTH 03°58'43" EAST, A DISTANCE OF 68.98 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE EAST; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 08°40'11", AND A RADIUS OF 1040.00, A DISTANCE OF 157.37 FEET; THENCE NORTH 12°36'54" EAST, A DISTANCE OF 70.51 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 02°06'58", AND A RADIUS OF 1960.00 FEET, A DISTANCE OF 72.37 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 40°55'24", AND A RADIUS OF 25.00, A DISTANCE OF 17.86 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTH; THENCE NORTHERLY, EASTERLY, AND SOUTHERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 280°13'32", AND A RADIUS OF 80.00 FEET, A DISTANCE OF 272.51 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 39°21'12", AND A RADIUS OF 25.00 FEET, A DISTANCE OF 17.17 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 02°10'00", AND A RADIUS OF 2040.00 FEET, A DISTANCE OF 77.14 FEET; THENCE SOUTH 12°36'54" WEST, A DISTANCE OF 70.51 FEET; THENCE SOUTH 81°29'43" EAST, A DISTANCE OF 248.18 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 28°41'13", AND A RADIUS OF 108.00 FEET, A DISTANCE OF 55.98 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 139°44'40", AND A RADIUS OF 128.29, A DISTANCE OF 312.89 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE EAST; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 23°18'31", AND A RADIUS OF 300.00 FEET, A DISTANCE OF 122.04 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 20°05'19", AND A RADIUS OF 730.00 FEET, A DISTANCE OF 255.95 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTH EAST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 24°37'07", AND A RADIUS OF 493.00 FEET, A DISTANCE OF 211.83 FEET; THENCE NORTH 56°27'48" EAST, A DISTANCE OF 352.75 FEET TO A POINT ON A CURVE CONCAVE TO THE SOUTHWEST AND WHOSE CHORD BEARS NORTH

Exhibit "B"

TBM Property  
(Briger PCD less the Community Park, the Commercial Parcel,  
the Plat of Lakes of Laguna and Tracts C & D)

Page 3 of 3

50°43'28" WEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 34°22'33", AND A RADIUS OF 1143.54 FEET, A DISTANCE OF 686.09 FEET; THENCE NORTH 87°54'45" WEST, A DISTANCE OF 128.84 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 20°08'33", AND A RADIUS OF 960.00 FEET, A DISTANCE OF 337.49 FEET; THENCE NORTH 88°03'17" WEST, A DISTANCE OF 75.45 FEET; THENCE SOUTH 84°48'07" WEST, A DISTANCE OF 80.42 FEET; THENCE NORTH 88°03'17" WEST, A DISTANCE OF 441.47 FEET TO A POINT ON THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL; THENCE NORTH 01°56'43" EAST, ALONG SAID WEST LINE OF BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 100.00 FEET; THENCE SOUTH 88°03'17" EAST, A DISTANCE OF 338.98 FEET; THENCE NORTH 39°21'14" EAST, A DISTANCE OF 594.27 FEET; THENCE NORTH 01°56'42" EAST, A DISTANCE OF 316.94 FEET; THENCE NORTH 39°55'26" WEST, A DISTANCE OF 480.29 FEET TO THE POINT OF BEGINNING AFORE DESCRIBED.



**Exhibit "C"**

**CATALINA PROPERTY**

**(Plat of the Lakes of Laguna less the lots now or hereafter conveyed)**

All of the Plat of The Lakes of Laguna according to the map or plat thereof as recorded in Plat Book 75, Page 162, of the Public Records of Palm Beach County, Florida, less and except each of the following lots located therein:

Lots 5, 6, 7, 8, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 32, 34, 35, 38, 39, 40, 41, 58, 62, 63, 70, 78, 79, 82, 87, 88, 89, 90, 91, 92, 93, 94, and 102



Exhibit "D"

Windsor Property  
(Tracts C & D of the Briger PCD)

Page 1 of 4

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN SECTION 12, TOWNSHIP 43 SOUTH, RANGE 42 EAST, CITY OF WEST PALM BEACH, PALM BEACH COUNTY, FLORIDA, SAID PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 54, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1, SAID POINT BEING A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AS RECORDED IN OFFICIAL RECORD BOOK 4617, PAGE 1242, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE SOUTH  $01^{\circ}56'43''$  WEST ALONG THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 1245.44 FEET TO THE POINT OF BEGINNING; THENCE SOUTH  $88^{\circ}03'17''$  EAST, A DISTANCE OF 441.47 FEET; THENCE NORTH  $84^{\circ}48'07''$  EAST, A DISTANCE OF 80.42 FEET; THENCE SOUTH  $88^{\circ}03'17''$  EAST, A DISTANCE OF 76.45 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, THENCE EASTERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 960.00 FEET, A CENTRAL ANGLE OF  $00^{\circ}59'09''$  AND A DISTANCE OF 16.52 FEET TO A POINT OF NON-TANGENCY; THENCE SOUTH  $04^{\circ}11'18''$  WEST, A DISTANCE OF 1054.90 FEET TO A POINT ON A CURVE CONCAVE EASTERLY, THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 60.00 FEET, A CENTRAL ANGLE OF  $124^{\circ}41'23''$ , A CHORD BEARING OF SOUTH  $31^{\circ}55'15''$  WEST AND A DISTANCE OF 130.57 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE WESTERLY; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 25.00 FEET, AND CENTRAL ANGLE OF  $40^{\circ}55'24''$  AND A DISTANCE OF 17.86 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE WESTERLY; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 1560.00 FEET, A CENTRAL ANGLE OF  $02^{\circ}06'56''$  AND A DISTANCE OF 72.37 FEET TO A POINT OF TANGENCY; THENCE SOUTH  $12^{\circ}36'34''$  WEST, A DISTANCE OF 70.51 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EASTERLY; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 1040.00 FEET, A CENTRAL ANGLE OF  $08^{\circ}40'11''$  AND A DISTANCE OF 157.37 FEET TO A POINT OF TANGENCY; THENCE SOUTH  $03^{\circ}56'43''$  WEST, A DISTANCE OF 66.96 FEET; THENCE NORTH  $88^{\circ}03'17''$  WEST, A DISTANCE OF 477.37 FEET TO A POINT ON SAID WEST LINE OF BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL; THENCE NORTH  $01^{\circ}56'43''$  EAST ALONG SAID WEST LINE OF BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 1519.25 FEET TO THE POINT OF BEGINNING.

CONTAINING 19.68 ACRES (857,460.80 SQUARE FEET) MORE OR LESS.

SURVEYOR'S NOTES

1. NO SEARCH OF THE PUBLIC RECORDS WAS PERFORMED BY THIS OFFICE.
2. BEARINGS AS SHOWN HEREON ARE BASED UPON THE WEST LINE OF BRIGER TRACT PLAT NO. 1 AS RECORDED IN PLAT BOOK 54, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, HAVING AN ASSUMED BEARING OF SOUTH  $01^{\circ}56'43''$  WEST AND ALL OTHER BEARINGS ARE RELATIVE THERETO.

UNLESS THIS DOCUMENT BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER, THIS DRAWING, MAP, SKETCH OR PLAT IS FOR INFORMATION PURPOSES ONLY AND IS NOT VALID.

DATE : NOVEMBER 23, 1999

GRAIG S. PUSEY  
PROFESSIONAL SURVEYOR AND MAPPER  
FLORIDA CERTIFICATE NO. 5019

THIS IS NOT A BOUNDARY SURVEY


		Landmark Surveying & Mapping Inc. 1830 FOREST HILL BOULEVARD, SUITE 100 WEST PALM BEACH, FL 33406 PHONE : (561) 633-3405 LA 142286		SKETCH AND DESCRIPTION PARCEL "C" BRIGER TRACT PLAT NO. 1	
PLR	N/A	DATE	LIC.#	SCALE	1" = 300'
BOOK	N/A	DATE	NOV. 17, 1999	PROJ. FILE	2327
DATE	N/A	DRAWN	G.S. PUSEY	SHEET	2496_C.DWG
				SHEET NO.	1 OF 2
				JOB NO.	99-L-2486

Exhibit "D"

Windsor Property  
(Tracts C & D of the Briger PCD)

**THIS IS NOT A BOUNDARY SURVEY  
LEGAL DESCRIPTION**

A PARCEL OF LAND LYING IN SECTION 12, TOWNSHIP 43 SOUTH, RANGE 42 EAST, CITY OF WEST PALM BEACH, PALM BEACH COUNTY, FLORIDA, SAID PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 54, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1, SAID POINT BEING A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AS RECORDED IN OFFICIAL RECORD BOOK 4617, PAGE 1242, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE SOUTH 01°56'43" WEST ALONG THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 1245.44 FEET; THENCE SOUTH 88°03'17" EAST, A DISTANCE OF 441.47 FEET; THENCE NORTH 88°48'07" EAST, A DISTANCE OF 80.42 FEET; THENCE SOUTH 88° 03'17" EAST, A DISTANCE OF 15.45 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY; THENCE EASTERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 380.00 FEET, A CENTRAL ANGLE OF 00°59'09" AND A DISTANCE OF 16.52 FEET TO THE POINT OF BEGINNING, SAID POINT BEING A POINT ON SAID 380.00 FOOT RADIUS CURVE CONCAVE SOUTHERLY; THENCE EASTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 19°09'24", A DISTANCE OF 320.97 FEET, AND A CHORD BEARING OF SOUTH 77°29'27" EAST; THENCE SOUTH 24°44'45" EAST, A DISTANCE OF 128.84 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 143.94 FEET, A CENTRAL ANGLE OF 34°22'33", AND A DISTANCE OF 866.09 FEET TO A POINT OF NON-TANGENCY; THENCE SOUTH 55°27'48" WEST, A DISTANCE OF 382.73 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 24°37'07", A RADIUS OF 483.00 FEET, AND A DISTANCE OF 248.5 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 20°05'19", A RADIUS OF 730.00 FEET, AND A DISTANCE OF 255.98 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE EAST; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 25°18'31", A RADIUS OF 300.00 FEET, AND A DISTANCE OF 122.04 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 138°44'40", A RADIUS OF 128.29 FEET, AND A DISTANCE OF 312.89 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 29°41'13", A RADIUS OF 106.00 FEET, AND A DISTANCE OF 88.26 FEET TO A POINT OF TANGENCY; THENCE NORTH 81°29'43" WEST, A DISTANCE OF 248.18 FEET; THENCE NORTH 12°38'54" EAST, A DISTANCE OF 70.51 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE WESTERLY; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 2040.00 FEET, A CENTRAL ANGLE OF 02°10'00", AND A DISTANCE OF 77.14 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 25.00 FEET, A CENTRAL ANGLE OF 39°21'12" AND A DISTANCE OF 17.17 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE WESTERLY; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 80.00 FEET, A CENTRAL ANGLE OF 135°32'09", AND A DISTANCE OF 141.93 FEET TO A POINT OF NON-TANGENCY; THENCE NORTH 04°11'15" EAST, A DISTANCE OF 1054.90 FEET TO THE POINT OF BEGINNING.

CONTAINING 19.68 ACRES (857,460.80 SQUARE FEET) MORE OR LESS.

**SURVEYOR'S NOTES**

1. NO SEARCH OF THE PUBLIC RECORDS WAS PERFORMED BY THIS OFFICE.
2. BEARINGS AS SHOWN HEREON ARE BASED UPON THE WEST LINE OF BRIGER TRACT PLAT NO. 1 AS RECORDED IN PLAT BOOK 54, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, HAVING AN ASSUMED BEARING OF SOUTH 01°56'43" EAST AND ALL OTHER BEARINGS ARE RELATIVE THERETO.

UNLESS THIS DOCUMENT BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER, THIS DRAWING, MAP, SKETCH OR PLAT IS FOR INFORMATION PURPOSES ONLY AND IS NOT VALID.

DATE : 4/3/2000

CRAIG S. PUSEY  
PROFESSIONAL SURVEYOR AND MAPPER  
FLORIDA CERTIFICATE NO. 5019



Landmark Surveying & Mapping Inc.  
1850 FOREST HILL BOULEVARD, SUITE 100  
WEST PALM BEACH, FL 33408  
PHONE (561) 433-8400  
LE #41298

FILE:	N/A	DRAWN:	L.C.BISPOFF	SCALE:	1" = 300'
BOOK:	N/A	DATE:	4/3/2000	PROJ. FILE:	2329
PROJ.:	N/A	ORDERED:	C.S.PUSEY	DRAWN BY:	2484_C.D.P.

**SKETCH AND DESCRIPTION**  
**PARCEL "D"**  
**BRIGER TRACT PLAT NO. 1**

SHEET NO. 1 OF 2      JOB NO. 99-L-2486





**EXHIBIT "E"**

**IMPROVEMENTS INSTALLED  
THE COSTS OF WHICH ARE TO BE SHARED BY THE PARTIES**

1. Lift Station but only to the extent that Tracts "C" and "D" plan to or use the same and then in proportion to such actual usage.
2. Expenses and costs concerning the design and planning for the 8.032 acre park not exceeding \$11,000 in the aggregate.





**EXHIBIT "F"**

**IMPROVEMENTS CONTEMPLATED TO BE INSTALLED BY  
WINDSOR AND ALLOCATED 100% TO  
TRACTS C AND D**

1. Landscaping and berming along Military Trail within Tract C.
2. Landscaping and berming within Tracts C and D that is adjacent to the other roads bordering Tracts C and D excluding landscaping that is part of the entrance features of the Main Entry Road. The Main Entry Road is the road designated as "Future Street" which runs east from Military Trail opposite Willow Pond Road.
3. The portion of the 15.65 acre lake adjoining Tract D that is the minimum required excavation to satisfy the drainage/storage requirements for Tracts C and D. Alternatively this excavation may be performed by another party as described in Paragraph 3e of this Cost Sharing Agreement in which case Windsor would pay to the Responsible Party its Allocable Share for the work.
4. The entry road into Tracts C and D from the north edge of the Main Entry Road to the cul-de-sac as shown on the Windsor approved site plan. Alternatively if a road between Tracts C and D is required by the City of West Palm Beach then Windsor will build the entire road between Tracts C and D from the north side of the Main Entry Road to the south side of the second entry road that is located opposite Apaloosa Street.
5. Any lift station, water lines, sewer lines, drainage lines or equipment installed within Tracts C and D that are designed and sized to serve only those units located on Tracts C and D.
6. All other improvements located within Tracts C and D that benefit only Tracts C and D.

## EXHIBIT "G"

**IMPROVEMENTS INSTALLED OR TO BE INSTALLED BY WINDSOR OR OTHERS AND BENEFITTING TRACTS C AND D AS WELL AS OTHER TRACTS**

1. Main Entry Road paving, drainage, sidewalks, deceleration and turn lanes. The Main Entry Road is the entry road running east from Military Trail across from Willow Pond Road. The Main Entry Road ends at the west boundary of the 13.62 acre lake.
2. Main Entry Road Feature landscaping, signage and berming. Signage is included in the shared costs to the extent it identifies the Briger PCD in general as opposed to signage that only identifies a portion of the PCD. The Main Entry Road Feature is contemplated as an area of concentrated berming, landscape, wall features, signage and lighting on either side of the entry road running east from Military Trail and opposite Willow Pond Road. Ordinary berming along the boundaries of said Road (as opposed to a concentrated area) are, however, not included for purposes of shared costs.
4. Improvements and equipment for the 8.032 acre park in the northeast corner of the Briger PCD, but only if the Owner of the Tract in question and its future residents have a right to use the park and facilities.
5. Traffic signalization at the Main Entry Road across from Willow Pond Road, if a signal is installed.
6. Existing lift station but only to the extent tracts "C" and "D" utilize the Lift Station and in that instance, only in proportion to the utilization of the Lift Station by tracts "C" and "D", respectively.
7. The portion of the excavation of the 13.62 acre lake adjoining Tract D that is in excess of the minimum excavation required to satisfy the drainage/storage requirements of Tracts C and D. Any excess fill generated by the excavation of the 15.65 acre lake by Windsor shall be stockpiled at a location specified by TBM. Windsor shall give 30 days notice to TBM prior to the start of the stockpiling and TBM shall promptly identify a tract and location which is not a wetland area for the stockpiling. If TBM fails to identify such location within 5 days after the notification then Windsor will stockpile the fill on Tract G and will be reimbursed its costs for excavating and moving such excess fill by the parties using such fill.
8. Any water, sewer or drainage lines, valves, equipment or structures that must be oversized beyond what the units on Tracts C and D would require to accommodate water, sewer or drainage services to other tracts or lands. With respect to the 16 inch water line to be installed from the vicinity of Parcel A, between Tracts C and D and then to the vicinity of the east boundary of the Main Entry Road, Windsor will be responsible for paying the cost which represents the cost of an eight inch line to service only Tracts C and D (subject to certification by the civil engineer Michael B. Schorah & Assoc., Inc. that an eight inch line would be

adequate to service Tracts C and D). The cost of the difference between the minimum eight-inch line and the 16-inch line shall be allocated and paid by the other parcels that tie into the 16-inch line except that the party owning the Commercial Parcel may tie into such line but shall have no obligation for payment with respect thereto. Each party will pay the cost of any stub-outs serving its property.

9. The lift station to be built on Tract C by Windsor or others to service Tracts C, D, I and K. Subject to the TBM Exclusion, the cost of the lift station and force main will be shared between Tracts C, D, I and K in the ratio of the units to be built on each tract. Each party will pay the cost of any gravity lines serving its Tract.
10. If any improvements are required by reason of an amendment to the Development Order initiated by a particular party, then such party shall alone bear the entire cost of such improvements.



EXHIBIT "H"

PROPOSED ALLOCATION PERCENTAGES FOR  
SHARED INFRASTRUCTURE COSTS

Tract	Percentage of Total Value
A	0%
B	11.63%
C	15.21%
D	17.29%
E	5.60%
F	5.49%
G	11.97%
H	6.37%
I	11.74%
J	4.80%
K	9.91%
Total	100.00%

WILL CALL BOX #69  
Prepared by and Return to:  
CHARLES A. LUBITZ, ESQUIRE/aza  
Boose, Casey, Ciklin, Lubitz,  
Martens, McBane & O'Connell  
515 North Flagler Drive  
17th Floor - Northbridge Tower I  
West Palm Beach, Florida 33401

**SCRIVENER'S AFFIDAVIT**

STATE OF FLORIDA  
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared CHARLES A. LUBITZ, ESQUIRE, (hereinafter referred to as "Affiant") who being by me first duly sworn, deposes and says:

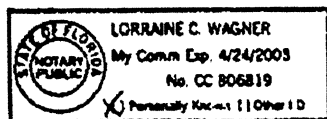
- 1) Affiant is personally familiar with the matters stated in this Affidavit;
- 2) On November 17, 2000 Affiant recorded a Cost Sharing and Cooperation Agreement which was prepared by Affiant and recorded in Official Record Book 12141, Pages 1131 through 1157 of the Public Records of Palm Beach County, Florida (the "Agreement");
- 3) Due to a scrivener's error on the part of Affiant the letter "D" appearing at the top of Pages 1151 and 1152 of said Public Records should in each case read "D-2" and the letter "D" appearing at the top of Pages 1153 and 1154 of said Public Records should in each case read "D-1".

FURTHER AFFIANT SAYETH NAUGHT.

Charles A. Lubitz  
CHARLES A. LUBITZ

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of January, 2001, by CHARLES A. LUBITZ, who is personally known to me or who has produced \_\_\_\_\_ (indicate form of identification) (if left blank personal knowledge existed) as identification.



Lorraine C. Wagner  
Notary Public State of Florida  
Notary Print Name:  
LORRAINE C. WAGNER

My Commission Expires:  
4/24/03

(NOTARY SEAL)

**MASTER AND NEIGHBORHOOD  
ASSOCIATION DOCUMENTS**

**(PART 2)**





# **MASTER ASSOCIATION DOCUMENTS**

ROOSE CASEY / aza  
WILL CALL BOX #69

THIS INSTRUMENT PREPARED BY:  
Charles A. Lubitz, Esq.  
Boose, Casey, Ciklin, Lubitz,  
Martens, McBane & O'Connell  
515 North Flagler Drive  
19th Floor - Northbridge Tower I  
West Palm Beach, Florida 33401

APR-30-1997 3:27PM 97-152376  
ORG 9770 Pg 849

**DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR THE LAKES OF LAGUNA**

THIS DECLARATION is made this 21<sup>st</sup> day of April, 1997, by The TBM General Partnership, a Florida general partnership, who declares hereby that the land described in Exhibit "A" and as further described in Article II hereof are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

**RECITALS**

A. The TBM General Partnership, a Florida general partnership, (the "Fee Owners"), is the owner of that certain property located in Palm Beach County, Florida, described in Exhibit "A" hereto ("The Properties").

B. The Fee Owners intend that a community will be created on The Properties.

C. The Fee Owners intend that various portions of the Properties be set aside for the collective use of all or a segment of the residents of the community to be created on The Properties.

D. In order to preserve and enhance the value of dwelling units and structures built on The Properties and to promote their owners and occupants welfare, the Fee Owners desire to submit The Properties to this Declaration of Covenants and Restrictions.

E. In order to facilitate the objectives described herein, the Fee Owners have formed a non-profit corporation called LAGUNA MASTER ASSOCIATION, INC. (the "Association"), which shall be responsible for the administration and enforcement of, and the performance of certain duties under this Declaration of Covenants and Restrictions.

NOW, THEREFORE, the Fee Owners declare that The Properties, shall be held, conveyed, leased, mortgaged, used, occupied and improved subject to these Covenants and Restrictions.

portion of such rights in connection with appropriate portions of the Properties. Any such assignment may be made on a non-exclusive basis.

Section 3. "Association" shall mean and refer to LAGUNA MASTER ASSOCIATION, INC., a Florida corporation not for profit, being the entity responsible for the administration and enforcement of, and performance of certain duties under, this Declaration.

Section 4. "Landscaping and Pedestrian Areas" shall mean and refer to strips of land of varying widths abutting the roads in The Properties for portions of all of their entire length, notwithstanding that any such strips of land may lie within the common areas owned by Neighborhood Associations (as hereinafter defined) within THE LAKES OF LAGUNA. Fee Owners may establish a physical boundary between the Landscaping and Pedestrian Areas referred to above and such other common areas, but in the absence of such physical boundary, Fee Owners shall have the absolute right to determine the actual boundary and such determination shall be binding on the Association and all affected associations and Owners within the Properties. The fact that certain of such Landscaping and Pedestrian Areas are not legally described shall not affect their character as Common Areas for purposes hereof.

Section 5. "Lot" shall mean and refer to any lot or tract, which is not a Common Area and is also not the common area of a Neighborhood Association or a common element of a Condominium, on the various plats, master plans or site plans of portions of THE LAKES OF LAGUNA, which plat, plans or portion thereof is designated by Fee Owners hereby or by any other recorded instrument to be subject to these covenants and restrictions (and to the extent Fee Owners are not the Owner thereof, then designated by Fee Owners as joined by the Owner thereof), any such lot or tract shown upon any resubdivision of any such plat, and any other property hereafter declared as a Lot by Fee Owners (or by Fee Owners joined by the Owner thereof) and thereby made subject to this Declaration. In the case of a condominium or a residential apartment building made subject to this Declaration, if any, the "Lots" therein shall be the individual condominium or rental units thereof and not the parcel(s) of real property on which the building is constructed. Each Lot hereunder shall be one of the following types:

- (a) A "Commercial Lot" is a Lot on which there is constructed one or more Commercial Buildings.
- (b) A "Residential Lot" is any Lot other than a Commercial Lot.

For purposes of Article VI, Section 2 of this Declaration, "Residential Land" shall mean and refer to any portion of THE LAKES OF LAGUNA which is zoned, or shown on an applicable plat or site plan or master plan as being intended, for residential use regardless of whether or not same is platted into Residential Lots. When and to the extent a portion(s) of Residential Land is platted and/or site plans designated into Lots and the Lots within such plat or site plan become subject to the full rate of assessment as provided in Article VI, Section 2 hereof, such Lots shall cease to be Residential Land hereunder. The specific treatment afforded Residential Land in Article VI, Section 2 shall not extend to any other provisions of this Declaration (including, without limitation, use restrictions).

Section 6. "Member" shall mean and refer to all those Owners who are Members of the Association as hereinafter provided.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon The Properties.

Section 8. "Neighborhood Association" shall mean and refer to any association now or hereafter created to administer a specific portion(s) of THE LAKES OF LAGUNA pursuant to a declaration of condominium or declaration of covenants and restrictions or similar instrument affecting such portion(s).

Section 9. "Unit" shall mean and refer to any unit constructed on a Lot (whether separately owned or rented by the Owner of such Lot and whether such unit is located in a single family or multi-family building, rental or otherwise, retail or commercial building,) or any condominium unit in any condominium building that may be erected on any parcel of land within The Properties, which land is designated by Fee Owners by recorded instrument to be subject to this Declaration (and to the extent Fee Owners are not the Owner thereof, then by Fee Owners joined by the Owner thereof). Units hereunder shall be one of the following types:

(a) A "Commercial Unit" is a physically separate retail, service, office, or other non-residential space which is separately owned or rented. A building which contains one or more Commercial Units is hereinafter referred to as a "Commercial Building." For purposes of this Declaration, a "Commercial Unit" or "Commercial Building", as appropriate, shall include, without limitation, religious facilities and utility installations.

(b) A "Residential Unit" is any dwelling unit constructed on a Residential Lot. In the case of a non-condominium residential apartment building(s), each separate apartment therein shall be deemed a separate Residential Unit for purposes of assessments (although not for purposes of liens for same, which shall attach to the underlying, single Lot as a whole) and occupancy restrictions hereunder, but all such apartment building(s) on a single Lot (which shall be considered a Residential Lot) shall be treated as but one Residential Unit for all other purposes of this Declaration, except as provided herein as to voting. A building which contains or constitutes more than one Residential Unit is sometimes hereinafter referred to as a "Residential Building."

Section 10. "The Properties" shall mean and refer to all that certain property currently subject to this Declaration, and all additions thereto as are hereinafter made subject to this Declaration, except such as are withdrawn from the provisions hereof in accordance with the procedures set forth in this Declaration. Sometimes in this Declaration the words "THE LAKES OF LAGUNA" are used synonymously with "The Properties" and when so used, the words "THE LAKES OF LAGUNA" mean and refer to all that certain property currently subject to this Declaration and all additions thereto as are hereinafter made subject to this Declaration, except such as are withdrawn in accordance with the procedures set forth herein.

DRS 9770 Pg 853

Section 11. Interpretation and Flexibility. In the event of any ambiguity or question as to whether any person, entity, property or improvement falls within any of the definitions set forth in this Article I, the determination made by the Fee Owners in such regard (as evidenced by a recorded Supplemental Declaration stating same) shall be binding and conclusive. Moreover, the Fee Owners may, also by way of Supplemental Declaration, alter or amend the application of any portion of this Declaration as to any specific portion(s) of THE LAKES OF LAGUNA in order to reflect any unique characteristics thereof; provided that such altered or amended application may not go so far as to be unequivocally contrary to the overall, uniform scheme of development for THE LAKES OF LAGUNA contemplated in this Declaration, and the rights and benefits accruing to the Owner of any existing platted Lot or Lots shall not be diminished including, without limitations, the right to use and enjoy the Common Areas as shown on any existing plats or master plans filed with any governmental bodies or included in any sales material promulgated by the developer of any existing platted areas within the Properties.

All references in this instrument to recording data refer to the Public Records of Palm Beach County, Florida.

## ARTICLE II

### PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

Section 1. Property Subject to Declaration The real property which is and shall be held, transferred, sold, conveyed and occupied subject to all of the terms and conditions of this Declaration is located in Palm Beach County, Florida and is more particularly described in Exhibit "A" attached hereto and shall constitute THE LAKES OF LAGUNA.

Section 2. Withdrawal. The Fee Owners reserve the right to amend this Declaration unilaterally at any time, without prior notice and without the consent of any person or entity, for the purpose of removing any portion of The Properties then owned by the Fee Owners 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 change whatsoever in the plans for THE LAKES OF LAGUNA desired to be effected by the Fee Owners; provided, however, that such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the then-remaining portions of THE LAKES OF LAGUNA nor diminish the rights of any existing Owner. Any withdrawal of land not owned by the Fee Owners shall not be effective without the written consent or joinder of the then-owner(s) of such land.

## ARTICLE III

### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is an Owner shall be a Member of the Association. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the Association.

Section 2. Districts. The Properties will be divided into Voting Districts by the Fee Owners. The Fee Owners will determine the number of Districts which will be established. To the extent possible, the Fee Owners will attempt to create Districts consisting of similar product types. The Fee Owners shall create and designate the Voting Districts by recording a Supplemental Declaration (which shall not require the consent of then existing owners or the Association).

Section 3. Voting Rights. The Association shall have three (3) classes of Voting Members, each to be selected and to cast the numbers of votes as set forth below:

Class A. Each Voting District which contains Residential Lots shall elect one (1) Class A Voting Member who shall cast as many votes as there are Residential Lots in that District. Each District shall elect its Voting Member at the annual meeting of the Voting District. The Voting Member so elected shall serve until the next annual meeting of the Voting District or until his successor is selected.

Class B. The Class B Voting Member shall be the Fee Owners. The Class B Voting Member shall be entitled to cast one (1) vote, plus two (2) votes for each vote which the Class A and Class C Voting Members are entitled to cast from time to time, provided that the Class B Membership shall cease and terminate six (6) months after the last Lot within THE LAKES OF LAGUNA has been sold and conveyed by the Fee Owners and all other portions of THE LAKES OF LAGUNA have been conveyed by the Fee Owners, or at any time prior to that date at the election of the Fee Owners.

Class C. Class C Voting Members shall be all Owners of Commercial Lots with the exception of the Fee Owners (as long as the Class B Membership shall exist, and thereafter the Fee Owners shall be a Class C Member to the extent it would otherwise qualify). Each Class C Member shall have one (1) vote for each acre or portion of an acre of Commercial Lots owned by it.

In the case of Commercial Lots which are subject to a Voting District, the Class C Voting Member therefor shall be elected in the same manner, and be subject to the same provisions, as a Class A Voting Member, provided, however, that the Class C Voting Member shall have as many votes as the Class C Members he/she represents (computed as stated above).

If a Neighborhood Association is created for a portion of THE LAKES OF LAGUNA, the Members of the Neighborhood Association shall meet annually and elect a Neighborhood Association Voting Member who shall vote at the annual meeting of the Voting District within which the Neighborhood Association is located for the Voting District Member. At such meeting the Neighborhood Association Voting Member shall be entitled to cast as many votes for the District Voting Member as there are Lots in the Neighborhood Association.

Section 4. Selection of Voting Members. Each Voting District shall give written notice to the Association of the person elected or designated as its/his Voting Member, such notice to be given

at or before the first meeting of the Association which the Voting Member is to attend. The Association and all other Voting Members (and their constituents) shall be entitled to rely on such notices as constituting the authorization of the District (and its members) to the designated Voting Member to cast all votes of the District (and its members) and to bind same in all Association matters until such notice is changed, superseded or revoked.

Section 5. General Matters. When reference is made in this Declaration, or in the Articles of Incorporation or By-Laws or other relevant documents to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members represented by their respective Voting Members at a duly constituted meeting thereof (i.e., one for which proper notice has been given and at which a quorum exists) and not of the Members themselves or of their Lots. To the extent lawful, the foregoing shall apply to, without limitation, the establishment of a quorum at any applicable meeting.

#### ARTICLE IV

##### COMMON AREAS AND CERTAIN EASEMENTS

Section 1. Ownership. The Common Areas are hereby dedicated to the joint and several use, in common, of the Fee Owners and the Owners of all Lots that may from time to time constitute part of The Properties, in the manner specified in this Declaration, and all of the Fee Owners and such Owners' respective lessees, guests and invitees, all as provided and regulated herein or otherwise by the Association. At the Fee Owners option (exercisable from time to time as to any portion or all of the Common Areas), the Fee Owners, or its successors and assigns, shall convey and transfer (or cause to be conveyed and transferred), by quit claim deed, the record fee simple title to the Common Areas (except those areas lying within dedicated areas or not capable of being legally described, including, but not limited to, the Landscaping and Pedestrian Areas) to the Association, and the Association shall accept such conveyance, holding title for the Owners and Members as stated in the preceding sentence. The Association shall be responsible for the maintenance, insurance and operation of all Common Areas (whether or not conveyed or to be conveyed) in a continuous and satisfactory manner without cost to the general taxpayers of Palm Beach County. It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be (or have been, because the purchase prices of the Lots and Units have already taken into account their proportionate shares of values of the Common Areas) proportionally assessed against and payable as part of the taxes of the Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any improvements and any personal property thereon accruing from and after the date the Prior Declaration was recorded, and such taxes shall be prorated between Fee Owners (or the then Fee Owners-affiliated Owner thereof) and the Association as of the date of such recordation.

The Fee Owners and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of The Properties (including, without limitation, Lots and Units) for the purpose of the installation, construction, reconstruction, repair, replacement, operation,

expansion and/or alteration of any improvements or facilities on the Common Areas or elsewhere in The Properties that the Fee Owners and its affiliates, as appropriate, elect to effect, and the Fee Owners and its affiliates shall have the right to use the Common Areas for sales, displays and signs during the period of construction and sale of any of the land owned by the Fee Owners and its affiliates within THE LAKES OF LAGUNA.

**Section 2. Members' Easements.** Each of the Association and each tenant, agent and invitee of a Member, shall have a permanent and perpetual non-exclusive easement for the use and enjoyment of all Common Areas in common with all other such Members of the Association, their tenants, agents and invitees.

All rights of use and enjoyment are subject to the following:

- a. Easements over and upon the Common Areas in favor of all Neighborhood Associations and the Association and their members, provided, however, that this subsection shall not in itself be deemed to grant any easements or use rights which are not specifically granted elsewhere herein or in any other documents to which The Properties (or any applicable portion(s) thereof) are now or hereafter made subject.
- b. The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of The Properties from time to time recorded.
- c. The right of the Association to suspend the right of an Owner and his designees to use the Common Areas (except for legal access) and common facilities for any period during which any applicable assessment remains unpaid; and for a period not to exceed sixty (60) days for any infraction of lawfully adopted and published rules and regulations.
- d. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated on the Common Areas, provided that such right is now or hereafter granted to or adopted by the Association.
- e. The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as elsewhere provided herein. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.
- f. The right of the Association, by a 2/3rds affirmative vote of the entire membership, or the Fee Owners, unilaterally (i.e., without the joinder or consent of the Association or any of its Members) to dedicate all or portions



of the Common Areas to a Neighborhood Association or a public or quasi-public agency, community development district or similar entity under such terms as the Association or Fee Owners deems appropriate and to create or contract with the Association, community development and special taxing districts for lighting, roads, recreational or other services, security, communications and other similar purposes deemed appropriate by the Association (to which such creation or contract all Owners hereby consent).

- g. Anything to the contrary in this Declaration notwithstanding, the Fee Owners shall have the right to permit persons other than Members and designated persons to use certain portions of the Common Areas and any recreational facilities that may be constructed thereon under such terms as the Fee Owners, its successors and assigns, may from time to time desire without interference from the Association. Without limiting the generality of the foregoing, the Fee Owners may grant such use rights to all children and other participants in day care centers, schools, camps, nurseries, or other similar programs located or operated on any portion of THE LAKES OF LAGUNA.
- h. The right of the Fee Owners and the Association to have, grant and use general ("blanket") and specific easements over, under and through the Common Areas.
- i. The right to the use and enjoyment of the Common Areas and facilities thereon and in the case of Class A Members the same shall extend to each permitted user's immediate family members who reside with him, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

WITH RESPECT TO THE USE OF THE COMMON AREAS AND THE PROPERTIES GENERALLY, ALL PERSONS ARE REFERRED TO ARTICLE IX, SECTIONS 12 AND 15 HEREOF WHICH SHALL AT ALL TIMES APPLY THERETO.

Section 3. Easements Appurtenant. The easements provided in Section 2 shall be appurtenant to and shall pass with the title to each Lot.

Section 4. Maintenance. The Association shall at all times maintain in good repair, operate, manage and insure, and shall replace as often as necessary, the Common Areas, any and all improvements situated on the Common Areas (upon completion of construction by the Fee Owners or its affiliates, if applicable), including, but not limited to, all recreational facilities, landscaping, paving, drainage structures, lakes, private roads, street lighting fixtures and appurtenances located within public and private rights-of-way, sidewalks, swimming pools and structures, except public utilities, and other portions of The Properties which are maintained, by a Neighborhood Association, all such work to be done as ordered by the Board of Directors of the Association. Maintenance of street lighting fixtures shall include and extend to payment for electricity consumed in their illumination. Without limiting the generality of the foregoing, the Association shall assume all of the

Fee Owners, its affiliates' (and its and their predecessors') responsibility to the City of West Palm Beach, Palm Beach County, and their governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Common Areas, including, but not limited to, roads and entry features, and shall indemnify the Fee Owners and its affiliates and hold the Fee Owners and its affiliates harmless with respect thereto.

In the event of any conflict, ambiguity or uncertainty as to whether certain maintenance or other duties as to any portion of The Properties falls within the jurisdiction of the Association or a Neighborhood Association, the determination of the Association shall control.

All work pursuant to this Section and all expenses hereunder shall be paid for by the Association through assessments imposed in accordance herewith. In order to effect economies of scale and for other relevant purposes, the Association, on behalf of itself and/or all or appropriate Neighborhood Associations, shall have the power to incur, by way of contract or otherwise, expenses general to THE LAKES OF LAGUNA or appropriate portions thereof, and the Association shall then have the power to allocate portions of such expenses among the affected Neighborhood Associations, based on such formula as may be adopted by the Association or as otherwise provided in this Declaration. The portion so allocated to any Neighborhood Association shall be deemed a general expense thereof, collectible through its owner assessments.

No Owner may waive or otherwise escape liability for the assessments for such maintenance by non-use (either voluntary or involuntary) of the Common Areas or abandonment of his right to use the Common Areas.

Section 5. Utility Easements. Public utilities in the Common Areas for the service of The Properties shall be installed underground except as otherwise permitted by the Fee Owners.

Section 6. Public Easements. Fire, police, health and sanitation and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

## ARTICLE V

### LANDSCAPING AND PEDESTRIAN AREAS

Section 1. Maintenance. Without limiting the generality of other applicable provisions hereof, the Landscaping and Pedestrian Areas of the Association shall be maintained by the Association, beginning upon the date these covenants are recorded, in a continuous and satisfactory manner without cost to the general taxpayers of Palm Beach County, and without direct, individual expense to the Owners of the Lots upon which the Landscaping and Pedestrian Areas are situated or abut, except for their share of the general common expenses. Such maintenance shall extend to any street lighting fixtures and the payment for electricity consumed in their illumination. All work pursuant to this Section and all expenses hereunder shall be paid for by the Association through assessments imposed in accordance herewith or by allocation of such expenses to the applicable Neighborhood

Association or its members, as provided herein. No Owner may waive his right to use or otherwise escape liability for assessments for such maintenance under this Section.

**Section 2. Limitations on Use.** The Landscaping and Pedestrian Areas shall be used for the purposes of landscaping, a planting screen buffer and for installation and maintenance of underground utilities and lines, and shall not be used by Owners of the respective Lots for parking or for any other purposes. No driveway access or vehicular access shall be permitted to any Lots across any Landscaping and Pedestrian Areas, except for access to the sales model areas and such other access as may be permitted by the Fee Owners in a Supplemental Declaration.

#### ARTICLE VI

#### COVENANT FOR MAINTENANCE ASSESSMENTS

**Section 1. Creation of the Lien and Personal Obligation for Assessments.** Except as provided elsewhere herein, the Fee Owners (and each party joining in this Declaration or in any supplemental declaration), for each Lot owned by it (or them) within The Properties, hereby, respectively, covenant and agree, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments or charges for the maintenance, operation, management and insurance of the Common Areas and the Association as provided herein, including, but not limited to, the Landscaping and Pedestrian Areas and other items described herein as Common Areas whether or not such items are on dedicated property or owned by Neighborhood Associations or otherwise, including such reasonable reserves as the Association may deem necessary, and capital improvement assessments as provided herein, all such assessments to be fixed, established and collected from time to time as hereinafter provided. In addition, special assessments may be levied against particular Owners and Lots for fines, expenses incurred against particular Lots and/or Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual and special assessments, together with late charges, interest and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with late charges, interest and costs of collection thereof as hereinafter provided, shall also be the personal obligation of all Owner(s) of such property from time to time. Neither the annual, nor any special assessment, shall be used to pay a judgment against the Association.

**Section 2. Assessment Rates and Commencement Dates.** The assessments provided for in this Article VI shall commence as provided in Section 5 of this Article VI and be as provided below:

**Residential Land and Lots.** All Residential Land and Residential Lots shall be assessed as provided in Section 6 of this Article VI.

**Residential Units (Apartments).** No Residential Unit shall be assessed separately from the Residential Lot on which it is situated (or, in the case of a condominium unit, which it constitutes).

Commercial Lots. In recognition of the fact that the varying potential uses of Commercial Lots will have concomitantly varying impacts on THE LAKES OF LAGUNA, and in order to preserve the flexibility of the Fee Owners in providing for appropriate applications of this Declaration to, inter alia, Commercial Lots, Fee Owners shall designate the assessment rate and its commencement date as to each Commercial Lot in THE LAKES OF LAGUNA by providing for same in the Supplemental Declaration subjecting the Lot to the provisions of the Association. If such Supplemental Declaration does not specify the assessment rate for the Commercial Lot(s) then the rate shall be equal to the rate for Residential Lots per acre (or any fraction thereof) contained in the Commercial Lot(s). It is specifically contemplated, though not mandated, that Commercial Lots may pay assessments at a lower rate than applicable to Residential Lots (regardless of relative sizes) and may not be subject to assessment until a Certificate of Occupancy or its equivalent is issued therefor, or that same may be subject only to assessments at reduced rate until such time.

Common Areas and Certain Other Property. No Common Areas hereunder or any common areas or common elements of a Neighborhood Association shall be subject to direct assessment hereunder (although the share of common elements appurtenant to a condominium unit shall be subject to the lien for assessments applicable to such unit). The foregoing exemption shall also apply to parks and similar open spaces; provided, however, that open space within a Commercial Lot which is merely an appurtenance to or otherwise integrated with buildings, parking lots or other improvements located thereon shall not be considered a "park" within the meaning of this Section and, therefore, shall be included within the computation of the acreage of the Commercial Lot when determining the assessments thereon. Further, the foregoing exemption shall apply to any land owned by a publicly-regulated utility company (including, without limitation, Florida Power and Light Co. and Southern Bell) as long as such land is used for or in connection with the provision of utilities (exclusive of business offices, retail outlets and the like). In the event of any ambiguity or doubt as to whether any particular open space or other land is subject to assessment, the determination of the Fee Owners (or, if there is no Class B Voting Member, the Board of Directors of the Association) shall be final and conclusive (and not subject to later change unless the use of the open space in question changes).

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for maintenance, operation, management and insurance of the Common Areas as provided herein, the payment of expenses allocated to the Association or the Properties by the Association. Assessments shall not be used to pay judgments against the Association, its officers or employees.

Section 4. Capital Improvements. Funds which, in the aggregate, exceed the lesser of \$10,000 or 10% of the then current operating budget in any one calendar year which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance) relating to the Common Areas and which have not previously been collected as reserves or are not otherwise available to the Association may be levied as special assessments by the Association upon approval

by a majority of the Board of Directors of the Association and upon approval of 66-2/3% favorable vote of Members (through their Voting Members). It is the intent of this Section that any capital improvements having a cost of less than the aforesaid amount be paid for by regular assessments, which an appropriate adjustment to the budget of the Association and the assessments levied thereunder to be made, if necessary.

**Section 5. Date of Commencement of Annual Assessments; Due Dates.** The annual/regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31

The annual assessments shall be payable in advance in monthly installments, or in semi-annual or quarter-annual installments if so determined by the Board of Directors of the Association. The assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, every six (6) months), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any special assessment or capital improvement assessment shall be fixed in the Board resolution authorizing such assessment.

**Section 6. Duties of the Board of Directors.** The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against all Residential Land and each Residential Lot for each assessment period. To the extent practicable, such assessment shall be made at least thirty (30) days in advance of such date or period. At that time, the Association will cause to be prepared a roster of the Lots and Land, the Owners thereof and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the applicable assessment shall thereupon be sent to every Owner subject thereto thirty (30) days prior to payment, except as to emergency assessments. In the event no such notice of a new assessment period is given, the assessment amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

The Association shall upon demand at any time furnish to any Owner liable for an assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of any assessment to the Association therein stated to have been paid.

The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to acquire, by purchase, lease or otherwise, one or more Units for occupancy

by its employees or independent contractors, and to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of the Fee Owners) for management services. The Association shall have all other powers provided herein and in its Articles of Incorporation and By-Laws.

**Section 7. Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association.** If the installments of an assessment are not paid on the dates when due (being the dates specified herein), then such installments shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the appropriate Lot, which shall bind such Lot in the hands of the then Owner, his heirs, personal representative, successors and assigns. Except as provided in Section 8 of this Article, the personal obligation of the then Owner to pay such assessment shall pass to his successors in interest and recourse may be had against either or both.

If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges, provided further, however, that each other installment thereafter coming due shall be subject to one late charge as aforesaid) or the next 12 months' of installments may be accelerated and become immediately due and payable in full, and all sums due shall bear interest from the dates when due until paid at the highest lawful rate (or, if there is not a highest lawful rate, 18% per annum) and the Association may bring an action at law against the Owner(s) personally obligated to pay the same or may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the property on which the assessments and late charges are unpaid, or may foreclose the lien against the property on which the assessment and late charges are unpaid, or pursue one or more of such remedies at the same time or successively, and attorneys' fees and costs of preparing and filing the claim of lien and the complaint (if any) in such action, and in prosecuting same, shall be added to the amount of such assessments, interest and late charges, and in the event a judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred in the applicable action together with the costs of the action, and the Association shall be entitled to attorneys' fees in connection with any appeal of any such action.

In the case of an acceleration of the next 12 months of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due and payable by reason of such an increase and special assessments against such Lot shall be levied by the Association for such purpose.

In addition to the rights of collection of assessments stated in this Section, any and all persons acquiring the title to or the interest in a Lot as to which the assessment is delinquent, including, without limitation, persons acquiring title by operation of law and by judicial sale, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Areas until such time as

all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid, and no sale or other disposition of Lots shall be permitted until an estoppel letter is received from the Association acknowledging payment in full of all assessments and other sums due; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees and purchasers contemplated by Section 8 of this Article.

Unless delegated to a Neighborhood Association, it shall be the legal duty and responsibility of the Association to enforce payment of the assessments hereunder. Failure of a collecting entity to send or deliver bills or notices of assessments shall not, however, relieve Owners from their obligations hereunder.

All assessments, late charges, interest, penalties, fines, attorneys' fees and other sums provided for herein shall accrue to the benefit of the Association.

Owners shall be obligated to deliver the documents originally received from the Fee Owners, containing this and other declarations and documents, to any grantee of such Owners.

The Association shall have such other remedies for collection and enforcement of assessments as may be permitted by applicable law. All remedies are intended to be, and shall be, cumulative.

Section 8. Subordination of the Lien. The lien of the assessment provided for in this Article shall be subordinate to real property tax liens, the lien(s) for the assessments of the Association and to the lien of any first mortgage recorded prior to recordation of a claim of lien, which mortgage encumbers any Lot and is in favor of any institutional lender or is otherwise insured by FNMA or FHLMC and is now or hereafter placed upon a portion of The Properties subject to assessment; provided, however, that any such mortgage when in possession of any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgagee acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under any such purchaser or such mortgagee, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). The order of priority of liens hereunder shall be: tax liens, first mortgage liens, liens for Association assessments, and liens for Neighborhood Association Assessments. Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided among, payable by and a lien against all Lots as provided in Section 1 of this Article, including the Lot as to which the foreclosure (or conveyance in lieu of foreclosure) took place. Liens for assessment under this Article shall be superior to liens for assessments of the Neighborhood Associations which may be referred to in declarations of restrictions and protective covenants recorded with respect to certain Lots. In the event only a portion of the assessments of the Association are collected, the amount collected shall be applied to assessments of the Association, then to those of the Neighborhood Association, shall then be paid to such Neighborhood Association.

Section 9. Collection of Assessments. Assessments levied pursuant hereto and pursuant to the applicable Declarations for the Neighborhood Associations shall be collected in the manner established pursuant to Article VII of this Declaration. In the event that at any time said manner

provides for collection of assessments levied pursuant hereto by an entity other than the Association, all references herein to collection (but not necessarily enforcement) by the Association shall be deemed to refer to the other entity performing such collection duties and the obligations of Owners to pay assessments shall be satisfied by making such payments to the applicable collecting entity.

Section 10. Effect on the Fee Owners. Notwithstanding any provision that may be contained to the contrary in this instrument, for so long as the Fee Owners, their successors, or assigns (or any of its affiliates) are the owners of any Lot or undeveloped property within The Properties, but are not offering the same for sale on an individual basis to the general public (but only to developers or builders on a bulk basis) they shall not be obliged to pay any assessments thereon. If, however, Fee Owners, their successors or assigns are offering Residential Lots for sale on an individual basis then Fee Owners, their successors or assigns shall be obliged to pay assessments as follows: the Fee Owners shall have the option, in their 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 paying assessments on any Lots and in lieu thereof funding any resulting deficit in the Association's operating expenses not produced by assessments receivable from Owners other than the Fee Owners. The Deficit to be paid under option (iii), above, shall be the difference between (i) actual operating expenses of the Association (exclusive of capital improvement costs, reserves and management fees) and (ii) the sum of all monies receivable by the Association (including, without limitation, assessment, interest, late charges, fines and incidental income from Lot Owners other than the Fee Owners and any surplus carried forward from the preceding year(s)). The Fee Owners may from time to time change the option stated above under which the Fee Owners are making payments to the Association by written notice to such effect to the Association. If the Fee Owners at any time elects option (ii) above, it shall not be deemed to have elected option (iii) as to the Lots which are not designated under option (ii). When all Lots within The Properties are sold and conveyed to purchasers, neither the Fee Owners, nor its affiliates, shall have further liability of any kind to the Association for the payment of assessments, deficits or contributions.

Section 11. Association Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special assessments, shall be held by the Association and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

Section 12. Specific Damage. Owners (on their behalf and on behalf of their tenants, contractors, subcontractors, licensees, invitees, employees, officers, children and guests) causing damage to any portion of the Common Areas as a result of misuse, negligence, failure to maintain or otherwise shall be directly liable to the Association and a special assessment may be levied therefor against such Owner or Owners. Such special assessment shall be subject to all of the provisions hereof relating to other assessments, including, but not limited to, the lien and foreclosure procedures.

Section 13. Rights to Assessments. The Association shall have the sole right to the assessments, both annual and special, for the use and purposes as provided for herein and no rights as to any other person are created or intended to be created hereby.



ARTICLE VII

COMPLIANCE AND ENFORCEMENT

Section 1. Compliance by Owners. Every Owner and Neighborhood Association and his/its tenants, guests, invitees, officers, employees, contractors, subcontractors and agents shall comply with the covenants, conditions and restrictions of this Declaration.

Section 2. Enforcement. Failure to comply with any of such covenants or restrictions shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief or any combination thereof. The Association shall also have the right to suspend rights to use Common Areas as specified herein.

Section 3. Fines. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner or Neighborhood Association for failure of an Owner, Neighborhood Association or any of the other parties described in Section 1, above, to comply with this Declaration provided the following procedures are adhered to:

- a. Notice: The Association shall notify the Owner or Neighborhood Association of the infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors at which time the Owner or Neighborhood Association shall present reasons why fines should not be imposed. At least six (6) days notice of such meeting shall be given.
- b. Hearing: The non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why a fine should not be imposed. A written decision of the Board of Directors shall be submitted to the Owner or Neighborhood Association by not later than twenty-one (21) days after the Board of Directors' meeting. The Owner or Neighborhood Association shall have a right to be represented by counsel and to cross-examine witnesses. If the impartiality of the Board is questioned by the Owner or Neighborhood Association, the Board shall appoint three (3) impartial Members to a special hearing panel which shall perform the functions described in this paragraph.
- c. Amounts of Fines: The Board of Directors (if its or such panel's findings are made against the Owner or Neighborhood Association) may impose special assessments against the Lot owned by the Owner or Neighborhood Association as follows:
  - (1) First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).
  - (2) Second non-compliance or violation: a fine not in excess of Five Hundred Dollars (\$500.00).

(3) Third or subsequent non-compliance, or violation or violations which are of a continuing nature: a fine not in excess of One Thousand Dollars (\$1,000.00).

- d. Payment of Fines: Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.
- e. Collection of Fines: As to Owners, fines shall be treated as a special assessment subject to the provisions for the collection of assessments as set forth herein. As to Neighborhood Associations, the Association may take any available legal or equitable action necessary to collect fines and, without waiving the right to do the foregoing, may deduct fines from amounts collected on behalf of Neighborhood Associations (the Association being hereby granted a lien on such amounts for such purpose).
- f. Application of Fines: All monies received from fines shall be allocated as directed by the Board of Directors.
- g. Non-exclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner or Neighborhood Association shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner or Neighborhood Association.

#### ARTICLE VII

##### ASSOCIATION, NEIGHBORHOOD ASSOCIATIONS AND THE FEE OWNERS

Section 1. Preamble. When land under the provisions of this Declaration is being developed the Fee Owners will either designate it as a neighborhood, designate it to be part of an already existing neighborhood, or determine that such land will not be a neighborhood. If the Fee Owners designate Land as a neighborhood, the owner of such Land shall form a Neighborhood Association by creating a non-profit corporation and recording a Declaration of Covenants in the Public Records of Palm Beach County, Florida, which shall be in substantially the same form as and consistent with this Declaration; provided, however, in the event of any conflict between the Declaration of such Neighborhood Associations and this Declaration, the provisions of this Declaration shall control. The newly created Declaration and Articles shall require the approval of the Fee Owners prior to recordation and filing.

In order to ensure the orderly development, operation and maintenance of THE LAKES OF LAGUNA and the properties which are subject to the administration of the Neighborhood Associations, if any, as integrated parts of THE LAKES OF LAGUNA, this Article has been promulgated for the purposes of (1) giving the Association certain powers to effectuate such goal, (2) providing for intended (but not guaranteed) economies of scale and (3) establishing the framework of the mechanism through which the foregoing may be accomplished.

Section 2. Cumulative Effect: Conflict. The covenants, restrictions and provisions of this Declaration shall be cumulative with those of the Declarations for the Neighborhood Associations; provided, however, that in the event of conflict between or among any such covenants, restrictions and provisions, or any Articles of Incorporation, By-Laws, rules and regulations, policies or practices adopted or carried out pursuant thereto, those of the Neighborhood Associations shall be subject and subordinate to this Declaration. The foregoing priorities shall apply, but not be limited to, the liens for assessments created in favor of the Association, and the Neighborhood Associations (as provided in Article VI, Section 7 hereof).

Section 3. Collection of Assessments. The Association may at its option initially act as collection agent for all Neighborhood Associations as to all assessments payable to each of same by the members thereof. The Association will remit the assessments so collected to the respective payees pursuant to such procedures as may be adopted by the Association through its Board of Directors.

In the event that the assessments payable to the Association, and a Neighborhood Association are received in a lump sum and such sum is less than sufficient to pay all entities, the amount collected shall be applied first to the assessments of the Association, then to those of the Neighborhood Association (each entity to be paid in full before the next-listed one is paid). All capital improvement assessments, special assessments, fines, interest, late charges, recovered costs of collection and other extraordinary impositions shall be remitted to the respective entity imposing same separate and apart from the priorities established above.

All Neighborhood Associations shall notify the Association, by written notice given at least thirty (30) days in advance, of any changes in the amounts of the assessments due them or the frequency at which they are to be collected. Further, all Neighborhood Associations shall provide to the Association a roster of the members of the Neighborhood Association and shall update same as often as necessary. The aforesaid notice period shall also apply to capital improvement assessments, but may be as short as five (5) days before the next-due regular assessment installment in the case of special assessments, fines and similar impositions on fewer than all members of the Neighborhood Association.

The Association shall have the power, but shall not be required, to record liens or take any other actions with regard to delinquencies in assessments payable to a Neighborhood Association in accordance with the applicable provisions of the Declaration or other similar instrument giving rise to such assessments, but all costs and expenses of exercising such rights shall nevertheless be paid by the applicable Neighborhood Association (which shall be entitled to receive payment of any such costs and expenses which are ultimately recovered).

The Association may change, from time to time by sixty (60) days prior written notice to a Neighborhood Association, the procedures set forth in this Section 4 in whole or in part. Such change may include, without limitation, the delegation by the Association of all or some of the collection or enforcement functions provided for herein to a Neighborhood Association(s) (to which delegation the Neighborhood Association(s) and their Members shall be deemed to have automatically agreed).

All fidelity bonds and insurance maintained by the Association shall reflect any duties to be performed by it pursuant hereto and the amounts to be received and disbursed by it pursuant to such delegation and shall name all applicable Neighborhood Association(s) as obligees/insured parties for so long as their assessments are being collected and remitted by the Association.

The Association may delegate any duties delegated to it pursuant hereto to a management company.

In the event of any change in assessment collection procedures elected to be made by the Association, the relative priorities of assessment remittances and liens (i.e., the Association first and the Neighborhood Associations) shall nevertheless still remain in effect, as shall the Association's ability to modify or revoke its election from time to time.

**Section 4 Delegation of Other Duties.** The Association shall have the right to delegate to a Neighborhood Association(s) on an exclusive or non-exclusive basis, such additional duties not specifically described in this Article as the Association shall deem appropriate. Such delegation shall be made by written notice to the Neighborhood Association, which shall be effective no earlier than thirty (30) days from the date it is given. Any delegation made pursuant hereto may be modified or revoked by the Association at any time.

**Section 5. Acceptance of Delegated Duties.** Whenever the Association delegates any duty to a Neighborhood Association pursuant to Sections 3 or 4 hereunder, the Neighborhood Association shall be deemed to have automatically accepted same and to have agreed to indemnify, defend and hold harmless the Association for all liabilities, losses, damages and expenses (including attorneys' fees actually incurred and court costs, through all appellate levels) arising from or connected with the Neighborhood Association's performance, non-performance or negligent performance thereof.

**Section 6. Expense Allocation.** The Association may, by written notice given to the affected Neighborhood Association at least thirty (30) days prior to the end of the Neighborhood Association's fiscal year, or by written notice given to a specified group of owners not part of a Neighborhood Association ("Unassociated Owners") at least thirty (30) days prior to the end of the Associations fiscal year, allocate and assess to the Neighborhood Association or Unassociated Owners, as the case may be, a share of the expenses incurred by the Association which are reasonably allocable to the Neighborhood Association or the Property (Lots/Units and/or common areas) under its jurisdiction, or which are reasonably allocable to the Unassociated Owners, as the case may be, whereupon such expenses shall thereafter be deemed common expenses payable by assessments of the Lots/Owners of such Neighborhood Association, through the Neighborhood Association, or by assessments of the Lots of the Unassociated Owners, as provided in Article VI, Section 1 and 3 of this Declaration. By way of example only, the Association could so allocate the share of the costs of maintaining security or patrol services or street lighting and other facilities for THE LAKES OF LAGUNA attributable to a Neighborhood Association (or the property within its jurisdiction) or a specific group of Unassociated Owners (based, for instance, on the number of Lots or linear feet of roadways adjacent to the applicable property) whereupon such allocated share would become a common expense of the members of each of the Unassociated Owners or the members of a Neighborhood Association in a sum payable by the Neighborhood Association.

In the event of the failure of a Neighborhood Association to budget or assess its members for, or to pay, expenses allocated to it by the Association, the Association shall be entitled to pursue all available remedies afforded same under this Declaration and the Declaration for the Neighborhood Association, withhold such assessments from amounts collected on behalf of the Neighborhood Association (a lien on such amounts being hereby granted the Association for such purpose), or specially assess all Owners/Lots belonging to the Neighborhood Association for the sums due. The exercise of one of the foregoing remedies shall not be deemed a waiver of the right to exercise any other.

It is contemplated that, initially, the Association will allocate expenses in the foregoing manner for community-wide patrol services, maintenance of Landscaping and Pedestrian Areas and landscaping along or within public road rights-of-way, and assessment collection costs.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind The Properties, and shall inure to the benefit of and be enforceable by the Fee Owners, the Association, any Neighborhood Association, the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75%, and the mortgagees of 100%, of the Lots agreeing to revoke said covenants has been recorded and the Fee Owners has given its prior written consent thereto. No such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such agreement and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. It shall be the duty of each Neighborhood Association to keep the Association advised of the names and addresses of the Neighborhood Association's members and any changes therein.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be accomplished by means of a proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure of the Association, the Fee Owners, any Neighborhood Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court

order shall not affect any provisions or applications in other circumstances, all of which shall remain in full force and effect.

Section 5. Amendment. In addition to any other manner herein provided for the amendment of this declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed or added to at any time and from time to time (including, without limitation, in order to meet any requirements, standards or guidelines of FNMA, FHLMC, VA or FHA as to all or any portion of The Properties) upon the execution and recordation of an instrument executed by the Fee Owners alone, for so long as it or its affiliates holds title to any Lot or Unit affected by this Declaration; or alternatively, by approval at a meeting of Owners holding not less than 66-2/3% of the votes of the membership of the Association, provided that so long as the Fee Owners or its affiliates is the Owner of any Lot affected by this Declaration, the Fee Owners's consent must be obtained if such amendment, in the sole opinion of the Fee Owners, affects its interest. However, in the event that any proposed amendment shall affect the management of the surface water on the Properties, such amendment shall not be adopted or become binding or effective unless first approved in writing by the South Florida Water Management District.

Section 6. Conflict. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and By-Laws of the Association and the Articles shall take precedence over the By-Laws.

Section 7. Effective Date. This Declaration shall become effective upon its recordation in the Palm Beach County Public Records.

Section 8. Standards for Consent, Approval, Completion, Other Action and Interpretation. Whenever this Declaration shall require the consent, substantial completion, or other action by the Fee Owners or its affiliates or the Association, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed by the Fee Owners or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Fee Owners, Association or DRB, as appropriate. This Declaration shall be interpreted by the Board of Directors and an opinion of counsel of the Association rendered in good faith that a particular interpretation is not unreasonable shall establish the validity of such interpretation.

Section 9. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally to have been granted the benefit of such easement and the Owners designate hereby the Fee Owners and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is

hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

Section 10. CPI. Whenever specific dollar amounts are mentioned in this Declaration (or in the Articles or By-Laws or rules and regulations), unless limited by law, such amounts will be increased from time to time by application of a nationally recognized consumer price index chosen by the Board, using the date this Declaration is recorded as the base year. In the event no such consumer price index is available, the Board shall choose a reasonable alternative to compute such increases.

Section 11. Blasting and Other Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTIES ARE HEREBY PLACED ON NOTICE THAT THE FEE OWNERS AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES MAY BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE LAKES OF LAGUNA. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTIES, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREED (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 LAKES OF LAGUNA 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) THE FEE OWNERS AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE BUT, RATHER, SHALL BE HELD HARMLESS, 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 LAKES OF LAGUNA HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (v) THIS ACKNOWLEDGEMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO THE FEE OWNERS TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE LAKES OF LAGUNA.

Section 12. Covenants Running with the Land. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF SECTION 1 HEREOF, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTIES, WITHOUT LIMITING THE GENERALITY OF SECTION 4 HEREOF, IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM

RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION AND/OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION AND/OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION AND/OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES AFFECTED HEREBY (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

Section 13. Limitation on Association. Anything in this Declaration to the contrary notwithstanding, the existence or exercise of any easement, right, power, authority, privilege or duty of the Association as same pertains to any condominium located within THE LAKES OF LAGUNA which would cause the Association to be subject to Chapter 718, Florida Statutes, shall be null, void and of no effect to the extent, but only to the extent, that such existence or exercise is finally determined to subject the Association to said Chapter 718. It is the intent of this provision that the Association not be deemed a condominium association, nor the Common Areas be deemed to be common elements of any such condominium, within the meaning of applicable laws or administrative rules for any purpose.

Section 14. Notices and Disclaimers as to Water Bodies. NEITHER THE FEE OWNERS, THE ASSOCIATION, NOR NEIGHBORHOOD ASSOCIATION NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE LAKES OF LAGUNA EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE LAKES OF LAGUNA 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 HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN THE LAKES OF LAGUNA 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 AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.



Section 15. Water Management System. A MASTER DRAINAGE SYSTEM HAS BEEN DESIGNED AND EXISTS TO SERVE THE LAKES OF LAGUNA. THE MASTER DRAINAGE SYSTEM WILL CONSIST OF A SERIES OF LAKES AND WATERBODIES, LOCATED WITH THE LAKES OF LAGUNA. THE ASSOCIATION WILL NOT OWN THE WATER MANAGEMENT SYSTEM, BUT WILL BE RESPONSIBLE FOR MAINTAINING THE WATER MANAGEMENT SYSTEM PURSUANT TO ALL REGULATORY AUTHORITY HAVING JURISDICTION AND THIS DECLARATION AND THE COST OF SAID MAINTENANCE SHALL BE PAID FOR BY PRO RATA ASSESSMENTS OF THE LOT OWNERS OF THE LAKES OF LAGUNA.

BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTIES, EACH OWNER, OCCUPANT AND USER AUTOMATICALLY GRANTS AN EASEMENT TO THE ASSOCIATION AND ITS ASSIGNS OVER THE LAKES AND WATERBODIES ADJACENT TO THEIR LOT AND OVER THEIR LOT, SAID EASEMENT BEING FOR THE PURPOSE OF MAINTENANCE OF SUCH LAKES OR WATERBODIES.

BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING A PORTION OF THE PROPERTIES, EACH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES THAT HE SHALL NOT ENLARGE OR OTHERWISE MODIFY ANY LAKE OR WATERBODY ADJACENT TO HIS LOT WITHOUT OBTAINING THE WRITTEN PERMISSION OF THE ASSOCIATION, THE Fee Owners, AND WITHOUT HAVING FIRST OBTAINED ALL REQUIRED PERMITS OR APPROVALS FROM ALL GOVERNMENTAL BODIES OR AGENCIES THEREOF HAVING JURISDICTION OVER SUCH LAKES OR WATERBODIES.

#### ARTICLE X

#### INSURANCE

Section 1. Coverage. The Association shall maintain insurance covering the following:

- a. Casualty. All improvements located on the Common Areas from time to time, together with all fixtures, building service equipment, personal property and supplies constituting the Common Areas or owned by the Association (collectively, the "Insured Property"), which shall be insured in an amount not less than one hundred percent (100%) of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against (i) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and (ii) such other risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism, malicious mischief and those covered by the standard "all risk" endorsement.

All appropriate policies of casualty insurance obtained by the Association shall have with them the following endorsements: (i) agreed amount and inflation guard, when obtainable, (ii) construction code, if applicable, and (iii) steam boiler coverage, if applicable.

- b. **Liability.** Comprehensive general public liability and automobile liability insurance covering injury, loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property (including, but not limited to, liability arising from law suits related to employment contracts to which the Association is a party), with such additional coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than \$1,000,000 for bodily injury and property damage for each accident or occurrence with a cross liability endorsement to cover liabilities of the Owners as a group to any Owner, and vice versa. The liability insurance shall provide for, among other things, coverage of bodily injury and property damage resulting from the operation, maintenance or use of the Common Areas and any legal liability resulting from employment contracts to which the Association is a party.
- c. **Flood Insurance** covering the Common Areas shall be maintained by the Association if the Common Areas are in a special flood hazard area or if the Association so elects. The amount of flood insurance shall be the lesser of: (i) 100% of the current replacement cost of the Insured Property; or (ii) the maximum coverage available for the Insured Property under the National Flood Insurance Program.
- d. **Fidelity Insurance or Bonds** naming the Association as obligee and covering all persons who handle or are responsible for the Association's funds (regardless of whether they receive compensation) shall be maintained in an amount which is the greater of \$10,000 or the maximum amount of funds that will be in custody of the Association at any time while the insurance or bond(s) is in force. Notwithstanding the foregoing sentence, however, such fidelity insurance or bond shall not be for an amount less than the sum of three (3) month's assessments on all Lots, plus the Association's reserve funds, for each person so insured or bonded. Any management agent of the Association shall also be covered by its own fidelity bond. Except for a bond maintained by a management agent for its own personnel, all bonds shall name the Association as an obligee.
- e. **Other Insurance.** The Association may also maintain worker's compensation or such other insurance as the Board may determine from time to time.

Section 2. **Additional Provisions.** All policies of insurance and fidelity bonds shall provide that such policies and bonds may not be cancelled or substantially modified without at least twenty (20) days' prior written notice to all of the named insureds, including all Mortgage Lenders.

Section 3. **Premiums.** Premiums upon insurance policies and fidelity bonds purchased by the Association shall be paid by the Association as a common expense, except that the amount of increase

in the premium occasioned by misuse, occupancy or abandonment of any one or more Units or their appurtenances or of the Common Areas by, or any other action or omission of, particular Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

EXECUTED as of the date first above written.

Signed in the presence of

Patricia B. Lester  
Prescott E. Lester

The TBM General partnership

By: David Minkin

DAVID MINKIN, Managing General Partner

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of April, 1997, by David Minkin, who is personally known to me or who has produced a Florida-Driver's License Number \_\_\_\_\_ as identification.

Ann Z Anders  
Notary Public State of Florida



ANN Z ANDERS  
Notary Print Name

My Commission Number  
CC 375083  
Expires: 6-7-98



ORB 9770 Pg 876  
DOROTHY H. WILKEN, CLERK PB COUNTY, FL

EXHIBIT "A"  
(Legal Description)

All of the Plat of Briger Tract No 1, a Planned Community Development, according to the Plat thereof, recorded in Plat Book 54, Page 35, Public Records of Palm Beach County, Florida, less and except the property conveyed to Northern Palm Beach County Water Control District by Special Warranty Deed recorded in Official Records Book 8871, Page 1110, Public Records of Palm Beach County, Florida.



telephones, sewer, water, lighting, irrigation, drainage, television antenna and cable television facilities, and electronic security.

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

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

(d) For overhanging troughs, roofs, gutters and down-spouts and the discharge therefrom of rainwater and the subsequent flow thereof over the easement area and the Common Facilities.

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

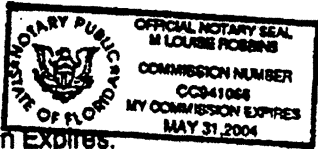
Section 8. Additional Easements. Declarant (so long as it owns any Lots or Parcels) and the Association, on their behalf and on behalf of all Owners, each shall have the right to (i) grant and declare additional easements over, upon, under and/or across the Common Facilities in favor of the Owners and residents of the Properties and their guests and invitees, or in favor of any other person, entity, public or quasi-public authority or utility company, or (ii) modify, relocate, abandon or terminate existing easements within or outside of the Properties in favor of the Association or the Owners and residents of the Properties and their guests and invitees or in favor of any Person, public or quasi-public authority, or utility company, as the Declarant or the Association may deem desirable for the proper operation and maintenance of the Properties, or any portion thereof, or for the health, safety or welfare of the Owners, or for any other reason or purpose. So long as such additional easements, or the modification, relocation or abandonment of existing easements will not unreasonably and adversely interfere with the use of Lots for dwelling purposes, no joinder of any Owner or any mortgagee of any Lot shall be required or, if same would unreasonably and adversely interfere with the use of any Lots for dwelling purposes, only the joinder of the Owners and Institutional Mortgagees of the Lots so affected shall be required. To the extent required, all Owners hereby irrevocably appoint Declarant and/or the Association as their attorney-in-fact for the foregoing purposes.





State of Florida            )  
                                  )SS  
County of Miami-Dade    )

BEFORE ME, the undersigned authority, personally appeared this 21<sup>st</sup> day of April, 2001, Charles D. Robbins, as President of LAGUNA MASTER ASSOCIATION, INC., a Florida not for profit corporation, and he acknowledged to and before me that he executed the same on behalf of said corporation. He is personally known to me.



*M. Louise Robbins*  
\_\_\_\_\_  
Notary Public

My Commission Expires.

WILL CALL BOX #69

Prepared by and Return to:  
CHARLES A. LUBITZ, ESQUIRE/aza  
Boose, Casey, Ciklin, Lubitz,  
Martens, McBane & O'Connell  
515 North Flagler Drive  
17th Floor - Northbridge Tower 1  
West Palm Beach, Florida 33401

06-08-1997 4:14pm 97-283533  
9930 Pg 1761

AFFIDAVIT

STATE OF FLORIDA  
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared CHARLES A. LUBITZ, ESQUIRE, (hereinafter referred to as "Affiant") who being by me first duly sworn, deposes and says:

- 1) Affiant is personally familiar with the matters stated in this Affidavit;
- 2) On April 30, 1997 Affiant recorded a Declaration of Covenants and Restrictions for The Lakes of Laguna (hereinafter referred to as "Declaration") which Affiant prepared on behalf of Affiant's client; TBM General Partnership, a Florida General Partnership. Said Declaration was recorded in Official Record Book 9770, Page 849, Public Records of Palm Beach County, Florida.
- 3) Attached hereto as Exhibit "A" is a copy of the Articles of Incorporation of Laguna Master Association, Inc. which is intended to be attached to the Declaration and it is hereby recorded as a part thereof.
- 4) Attached hereto as Exhibit "B" is a copy of the By-Laws of Laguna Master Association, Inc. which is intended to be attached to the Declaration and it is hereby recorded as a part thereof.

FURTHER AFFIANT SAYETH NAUGHT.

Charles A. Lubitz  
CHARLES A. LUBITZ

Return to: (enclose self-addressed stamped envelope)

Name:

Address:

**BOOSE CASEY/aza  
WILL CALL BOX #69**

088 9930 Pg 1763

Property Appraiser's Parcel Identification (Folio) Number(s):

ARTICLES OF INCORPORATION  
OF  
LAGUNA MASTER ASSOCIATION, INC.

FILED  
97 JUL 30 PM 1:11  
OFFICE OF STATE  
PALM BEACH COUNTY, FLORIDA

I. NAME

The name of this corporation shall be Laguna Master Association, Inc., sometimes hereinafter referred to as the "Association" whose address is 324 Royal Palm Way, Palm Beach, FL 33480.

II. PURPOSES

The general nature, objects and purposes of the Association are as follows:

A. To promote the health, safety and social welfare of the Owners of Property within that residential area referred to as The Lakes of Laguna ("Lakes of Laguna") and described in the Declaration of Covenants and Restrictions for The Lakes of Laguna (the "Declaration") recorded in the Public Records of Palm Beach County, Florida, in Official Records Book 9770, Page 849.

B. To own and maintain, repair and replace the general and/or Common Areas, preserve areas, parks, sidewalks and/or access paths, streets and other Common Areas, lakes, structures, landscaping and other improvements in and/or benefitting Lakes of Laguna for which the obligation to maintain and repair has been delegated and accepted.

C. To operate without profit for the benefit of its members.

D. To perform all of the functions contemplated of the Association, and undertaken by the Board of Directors of the Association, in the Declaration hereinabove described.

III. GENERAL POWERS

The general powers that the Association shall have are as follows:

A. To hold funds solely and exclusively for the benefit of the members for purposes set forth in these Articles of Incorporation.

B. To promulgate and enforce rules, regulations, by laws, covenants, restrictions and agreements to effectuate the purposes for which the Association is organized.

C. To delegate power or powers where such is deemed in the interest of the Association.

B. The Fee Owner shall initially have the right to elect all members of the Board of Directors subject to and in accordance with the Declaration.

C. The Association will obtain funds with which to operate by assessment of its members in accordance with the provisions of the Declaration as supplemented by the provisions of the Articles and By Laws of the Association relating thereto.

#### VI. BOARD OF DIRECTORS

A. The affairs of the Association shall be managed by a Board of Directors initially consisting of three (3) Directors. So long as the Fee Owner shall have the right to elect a majority of the Board of Directors, Directors need not be members of the Association and need not be residents of the State of Florida; thereafter, all Directors shall be members of the Association and residents of the State of Florida. Elections shall be by plurality vote.

B. New Directors shall be appointed or elected and the number of Directors shall be increased or decreased in accordance with the Bylaws of the Association.

C. The names and addresses of the members of the first Board of Directors who shall hold office until the annual meeting of the members to be held in the year 1998 and until their successors are elected or appointed and have qualified, are as follows:

<u>NAMES</u>	<u>ADDRESS</u>
1. Prescott Lester	c/o Catalina Developers, L.C. 324 Royal Palm Way, Suite 215 Palm Beach, Florida 33480
2. Esther Schneiderman	c/o David Minkin 95-25 Queens Blvd., Suite 724 Rego Park, New York 11374
3. Donna Sarcone	c/o Lester, Schawab, Katz & Dwyer 120 Broadway New York, New York 10271

#### VII. OFFICERS

A. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time by resolution create. Officers shall be elected for one (1) year terms in accordance with the procedures set forth in the Bylaws. The

names of the officers who are to manage the affairs of the Association until the annual meeting of the Board of Directors to be held in the year 1998 and until their successors are duly elected and qualified are:

President	Prescott Lester <sup>PK</sup>
Vice President	Esther Schneidman
Treasurer	Donna Sarcone
Secretary	Donna Sarcone

VII. CORPORATE EXISTENCE

The Association shall have perpetual existence.

VIII. BYLAWS

The Board of Directors shall adopt Bylaws consistent with these Articles.

IX. AMENDMENT TO ARTICLES OF INCORPORATION AND BYLAWS

These Articles and Bylaws may be altered, amended or repealed by vote of a majority of the Board of Directors. No amendment affecting The TBM General Partnership, a Florida general partnership, or its successors or assigns as developer of The Lakes of Laguna shall be effective without the prior written consent of said General Partnership, or its successors or assigns, as developer.

X. SUBSCRIBERS

The name and address of the initial subscriber is as follows:

Charles A. Lubitz	515 North Flagler Drive Suite 1700 West Palm Beach, FL 33401
-------------------	--

XI. INDEMNIFICATION OF OFFICERS AND DIRECTORS

A. The Association hereby indemnifies any Director or officer made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding.

1. Whether civil, criminal, administrative or investigative, other than one by or in the right of the Association to procure a judgment in its favor, brought to impose a liability or penalty on such person for an act alleged to have been committed by such person in his capacity as Director or officer of the Association, or in his capacity as Director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprises which he served at the request of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action, suit or proceeding or any appeal therein, if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association, and in criminal actions or proceedings, without reasonable ground for belief that such action was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not in itself create a presumption that any such Director or officer did not act in good faith in the reasonable belief that such action was in the best interests of the Association or that he had reasonable grounds for belief that such action was unlawful.

2. By or in the right of the Association to procure a judgment in its favor by reason of his being or having been a Director or officer of the Association, or by reason of his being or having been a Director, officers or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein if such person acted in good faith in the reasonable belief that such action was in the best interest of the Association. Such person shall not be entitled to indemnification in relation to matters to which such person has been adjudged to have been guilty of gross negligence or misconduct in the performance of his duty to the Association unless, and only to the extent, that the court, administrative agency or investigative body before which such action, suit or proceeding is held shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such tribunal shall deem proper.

B. The Board of Directors shall determine whether amounts for which a Director or officer seeks indemnification were properly incurred and whether such Director or officer acted in good faith and in a manner he reasonably believed to be in the best interests of the Association, and whether, with respect to any criminal action or proceeding, he had no reasonable ground for belief that such action was unlawful. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding.

C. The foregoing rights of indemnification shall not be deemed to limit in any way the powers of the Association to indemnify under applicable law.

## XII. TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

A. No contract or transaction between the Association and one (1) or more of its Directors or officers, or between the Association and any other corporation, partnership, association, or other organization in which one (1) or more of its Directors or officers, have a financial interest, shall be invalid, void or voidable, solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. No Director or officer of the Association shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

B. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction.

## XIII. DISSOLUTION OF THE ASSOCIATION

A. Upon dissolution of the Association, all of its assets remaining after provision for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:

1. Real property contributed to the Association without the receipt of other than nominal consideration by the Class B Member (or its predecessor in interest) shall be returned to the Class B Member (whether or not a Class B Member at the time of such dissolution), unless it refuses to accept the conveyance (in whole or in part).

2. Dedication to any applicable municipal or other similar non-profit corporation or governmental body determined by the Board to be appropriate for such dedication and which such entity is willing to accept.

3. Remaining assets shall be distributed among the members as tenants in common, each member's share of the assets to be determined in accordance with its voting rights.

B. The Association may be dissolved upon a resolution to that effect being recommended by two-thirds (2/3) of the members of the Board of Directors, and, if such decree be necessary at the time of dissolution, after receipt of an appropriate decree as set forth in Florida Statutes Section 617.05 or statute of similar import, and approved by two-thirds (2/3) of the voting rights of the Association's members.

GRB 9930 Pg 1769

XIV. REGISTERED AGENT

Until changed, Charles A. Lubitz shall be the Registered Agent of the Association and the Registered Office shall be 515 North Flagler Drive, Suite 1700, West Palm Beach, Florida, 33401

IN WITNESS WHEREOF, the said subscriber has hereto set his hand and seal this 23<sup>rd</sup> day of July, 1997.

WITNESSES:

[Signature]  
[Signature]

Charles A. Lubitz  
Charles A. Lubitz

STATE OF FLORIDA :  
:SS  
COUNTY OF PALM BEACH :

The foregoing instrument was acknowledged before me this 24<sup>th</sup> day of July 1997, by Charles A. Lubitz, to me well known to be the individual described in and who executed the foregoing instrument for the purposes therein expressed.

OFFICIAL NOTARY SEAL  
LYDIA TYSON  
NOTARY PUBLIC STATE OF FLORIDA  
COMMISSION NO. CC32092  
MY COMMISSION EXP NOV. 26, 1997  
Florida at Large  
My Commission Expires:  
[Signature]

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for the above stated corporation, at the place designated in these Articles, the undersigned hereby agrees to act in this capacity, and further agrees to comply with the provisions of all statutes relative to the proper and complete performance of his duties.

Charles A. Lubitz  
CHARLES A. LUBITZ



088 9930 Pa 1770

EXHIBIT "A"

Plat of The Lake of Laguna, according to the map or plat thereof as recorded in Plat  
Book 75, Page 162, of the Public Records of Palm Beach County, Florida

Return to: (enclose self-addressed stamped envelope)

Name:

Address:

**BOOSE CASEY/aza  
WILL CALL BOX #69**

088 9930 Ps 1771

Property Appraisers Parcel Identification (Folio) Number(s):

BY-LAWS

OF

LAGUNA MASTER ASSOCIATION, INC.

ARTICLE I - NAME AND LOCATION

The name of the corporation is Laguna Master Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at c/o Pelcorp, Inc., 324 Royal Palm Way, Palm Beach Florida 33480, or such other place as may be established by the Board of Directors of the Association, but meetings of Members and Directors may be held at such place within the State of Florida, County of Palm Beach, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

The terms used herein shall have the meaning assigned, if any, in the Articles of Incorporation and Declaration of Covenants and Restrictions for the Lakes of Laguna hereinafter referred to as the "Declaration".

ARTICLE III - MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the Members shall be held at 6:00 p.m. on the 1st day of August of each year at the principal office of the Association, unless some other time and/or place is designated by the Board. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors.

Section 3. Notice of Meetings. Written notice of each meeting of the Members, shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, either personally or by mailing a copy of such notice, postage prepaid, at least fifteen (15) days, but not more than

forty-five (45) days, before such meeting except as otherwise provided in the Articles of Incorporation, to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Proof of such mailing shall be given by the affidavit of the person giving the notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence, in person, or by proxy, at any duly called meeting of the Members, entitled to cast thirty-three and one-third percent (33 1/3%) of the total number of votes of the Members shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. Any Member may join in the action of any meeting by signing and concurring in the minutes thereof and such a signing shall constitute the presence of such Member for the purpose of determining a quorum. If a quorum is present, the vote of a majority of the Members who are present or represented at the meeting and entitled to vote on the subject matter shall be the act of the Membership unless otherwise provided by law or by the Articles of Incorporation of the Association or the Declaration.

Section 5. Adjournment. If at any meeting of the Membership there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. Any business which might have been transacted at a meeting when originally called may be transacted at any adjournment thereof. In the case of the adjournment of a meeting, no notice to the Members of such adjournment shall be required other than announcement at the meeting of the time and place of the adjourned meeting.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and shall be valid only for the particular meeting designated therein and any adjournment thereof if so stated. A proxy must be filed with the Secretary before the appointed

time of the meeting in order to be effective. Any proxy may be revoked prior to the time a vote is cast pursuant to such proxy.

Section 7. Action Taken Without a Meeting. The Members may, at the discretion of the Board, act by written response in lieu of a meeting provided written notice of the matter or matters to be agreed upon is given to the Members or duly waived in accordance with the provisions of these By-Laws. Unless some greater number is required under the Declaration and except as to the election of Directors which shall be accomplished by plurality vote, the decision of a majority of the votes cast by Members as to the matter or matters to be agreed or voted upon shall be binding on the Members provided a quorum is either present at such meeting or submits a response if action is taken by written response in lieu of a meeting, as the case may be. The notice with respect to actions to be taken by written response in lieu of a meeting shall set forth the time period during which the written response must be received by the Association.

Section 8. Secret Written Ballot. At any time prior to a vote upon any matter at a meeting of the Membership, any Member may request the use of a secret written ballot for the voting thereon and require the use of such secret written ballot. In the event such secret written ballot is used, the chairman of the meeting shall call for nominations and the election of inspectors of election to collect and tally such secret written ballots upon the completion of the balloting.

Section 9. Conduct of the Meetings. Roberts Rules of Order (latest edition) shall govern the conduct of all meetings of the Members of the Association when not in conflict with the Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association or the Statutes of Florida.

ARTICLE IV - BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Term of Office. At the first annual meeting, the Voting Members shall elect three Directors for a term of one year, to serve until their successors are elected.

Section 2. Removal. Any Director may be removed from the Board with or without any cause, by majority vote of the Voting Members of the Association.

Section 3. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

#### ARTICLE V. NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more persons appointed by the Board, who need not be Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of each meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

088 9930 Pg 1775

## ARTICLE VI. MEETING OF DIRECTORS

Section 1. Organizational Meetings. The first meeting of the duly elected Board of Directors for the purpose of organization, shall be held within ten (10) days after the annual meeting of Members, provided the majority of the Members of the Board elected be present. Any action taken at such meeting shall be by a majority of those present. If the majority of the Members of the Board elected shall not be present at that time, or if the Directors shall fail to elect officers, the meeting of the Board to elect officers shall then be held within thirty (30) days after the annual meeting of Members upon three days' notice in writing to each Member of the Board elected, stating the time, place and object of such meeting.

Section 2. Regular Meetings. Regular meetings of the Board of Directors may be held at any place or places within Palm Beach County, Florida, on such days and at such hours as the Board of Directors may, by resolution, appoint. No notice shall be required to be given of any regular meeting of the Board of Directors.

Section 3. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, and may be held at any place or places within Palm Beach County, Florida. Notice of each special meeting of the Board of Directors, stating the time, place and purpose or purposes thereof, shall be given by or on behalf of the President or by or on behalf of the Secretary to each Member of the Board not less than three (3) days prior to such meeting by mail or one (1) day prior to such meeting by telephone or telegraph. Special Meetings of the Board may also be held at any place and time without notice by unanimous waiver of notice by all of the Directors.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. A Director may join in the action of a meeting of the Board by signing the

minutes thereof, and such signing shall constitute the presence of such Director for the purpose of determining a quorum. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board, except as may be otherwise specifically provided by law, by the Articles of Incorporation or elsewhere.

Section 5. Presiding Officer. The presiding officer at all Board Meetings shall be the President. In the absence of the President, the Directors shall designate any one of their number to preside.

ARTICLE VII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Areas and Association Property, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary and to prescribe their duties.

**Section 2. Duties.** It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of all assessments against each Lot and the date of commencement thereof;

(2) send written notice of each assessment to every Owner subject thereto, and;

(3) foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on the property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area or Association Property to be maintained.



ARTICLE VII. OFFICERS AND THEIR DUTIES.

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Subsequent to the termination of the Class B membership to Class A membership, no person shall simultaneously hold more than one of any of the other offices except that the offices of Secretary and Treasurer may be held by the same person and further except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign all checks and promissory notes.

Vice President

(b) The Vice President shall act in the place and stead of the President and in the event of his absence, inability or refusal to act, shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts, all monies of the Association and shall disburse such funds as directed by the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE X. IX BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, upon reasonable notice, be subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X. CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference, the words: Laguna Master Association, Inc., a Florida corporation not-for-profit.

ARTICLE XI. AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of Members present in person or by proxy, provided that the notice to the Members of the meeting disclosed the information that an amendment of the By-Laws was to be considered; provided, however, the provisions which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matters stated herein to be or which are in fact governed by the Declaration may not be amended except as provided in such Declaration. Notwithstanding anything herein to the contrary, the Class B membership shall be permitted to amend these By-Laws at any time, without the consent of any other member. No amendment of these By-Laws may be made without the consent of the Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

The foregoing were adopted as the By-Laws of: LAGUNA MASTER ASSOCIATION, INC., a Florida not for profit corporation, at the first meeting of the Board of Directors.





Prepared by and return to:  
Charles D. Robbins, Esquire  
CHARLES D. ROBBINS, P.A.  
5214 La Gorce Drive  
Miami Beach, Florida 33140-2106

04/17/2002 12:42:48 20020195845  
OR BK 13616 PB 0994  
Palm Beach County, Florida

**THIRD AMENDMENT TO  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR THE LAKES OF LAGUNA**

**THIS AMENDMENT** to Declaration is made this 15th day of March, 2002 by Durham-Florida Properties, LLC, a Florida limited liability company, ("Durham"), and The Laguna Master Association, Inc., (the "Master Association").

**WHEREAS**, pursuant to Article IX, Section 5 of that certain Declaration of Covenants and Restrictions for the Lakes of Laguna recorded in Official Records Book 9770, at Page 849 of the Public Records of Palm Beach County, Florida (the "Declaration"), the Fee Owners (as defined therein) have the right to amend the Declaration; and

**WHEREAS**, the rights of the Fee Owners have been assigned to Durham;

and

**WHEREAS**, Durham deems it in the best interest of the Master Association and all properties subject to the Declaration that certain amendments to the Declaration (as set forth below) be made, and the Master Association concurs.

**NOW THEREFORE**, the Declaration is hereby amended as follows:

1. The Master Association hereby accepts responsibility for the operation and maintenance of the surface water management ("SWM") system described in that certain South Florida Water Management ("SFWMD") Permit No. 50-04852-P-03, a copy of which is attached hereto as Exhibit "A". Copies of the permit and any future SFWMD permit actions shall be maintained by the Registered Agent for the Master Association for the benefit of the Master Association.

2. The SWM system is owned by the Master Association and is declared to be part of the "Common Area" described in Article I, Section 1 of the Declaration.

3. No amendment to the Declaration which would affect the SWM system, conservation areas or water management portions of the Common Areas shall be effective unless the Master





**SOUTH FLORIDA WATER MANAGEMENT DISTRICT  
ENVIRONMENTAL RESOURCE  
STANDARD GENERAL PERMIT NO. 50-04852-P-03**

Form #0941  
08/96

DATE ISSUED: July 6, 2001

PERMITTEE: DURHAM-FLORIDA PROPERTIES, LLC  
2699 SOUTH BAYSHORE DRIVE  
7TH FLOOR  
MIAMI, FL 33133

PROJECT DESCRIPTION: MODIFICATION OF A SURFACE WATER MANAGEMENT SYSTEM SERVING 70.85 ACRES OF RESIDENTIAL DEVELOPMENT KNOWN AS WESTBROOKE AT BRIGER, PARCELS B, E & F.

PROJECT LOCATION: PALM BEACH COUNTY, SEC 12 TWP 43S RGE 42E

PERMIT DURATION: Five years from the date issued to complete construction of the surface water management system as authorized herein. See attached Rule 40E-4.321, Florida Administrative Code.

This is to notify you of the District's agency action concerning Notice of Intent for Permit Application No. 010517-13, dated May 17, 2001. This action is taken pursuant to Rule 40E-1.603 and Chapter 40E-40, Florida Administrative Code (F.A.C.).

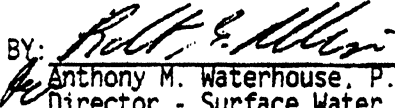
Based on the information provided, District rules have been adhered to and an Environmental Resource General Permit is in effect for this project subject to:

1. Not receiving a filed request for a Chapter 120, Florida Statutes, administrative hearing.
2. the attached General Conditions.
3. the attached 9 Special Conditions, and
4. the attached 4 Exhibit(s).

Should you object to these conditions, please refer to the attached "Notice of Rights" which addresses the procedures to be followed if you desire a public hearing or other review of the proposed agency action. Please contact this office if you have any questions concerning this matter. If we do not hear from you in accordance with the "Notice of Rights," we will assume that you concur with the District's action.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a "Notice of Rights" has been mailed to the Permittee (and the persons listed in the attached distribution list) no later than 5:00 p.m. on this 6th day of July, 2001, in accordance with Section 120.60(3), Florida Statutes.

BY:   
Anthony M. Waterhouse, P.E.  
Director - Surface Water Management  
Palm Beach Service Center

Certified Mail No.7000 0520 0016 2587 2148

Enclosures



## ENVIRONMENTAL RESOURCE PERMIT

## CHAPTER 40E-4 (10/95)

## 40E-4.321 Duration of Permits

(1) Unless revoked or otherwise modified the duration of an environmental resource permit issued under this chapter or Chapter 40E-40, F.A.C. is as follows:

(a) For a conceptual approval, two years from the date of issuance or the date specified as a condition of the permit, unless within that period an application for an individual or standard general permit is filed for any portion of the project. If an application for an environmental resource permit is filed, then the conceptual approval remains valid until final action is taken on the environmental resource permit application. If the application is granted, then the conceptual approval is valid for an additional two years from the date of issuance of the permit. Conceptual approvals which have no individual or standard general environmental resource permit applications filed for a period of two years shall expire automatically at the end of the two year period.

(b) For a conceptual approval filed concurrently with a development of regional impact (DRI) application for development approval (ADA) and a local government comprehensive plan amendment, the duration of the conceptual approval shall be two years from whichever one of the following occurs at the latest date:

1. the effective date of the local government's comprehensive plan amendment,
2. the effective date of the local government development order,
3. the date on which the District issues the conceptual approval, or
4. the latest date of the resolution of any Chapter 120.57, F.A.C., administrative proceeding

or other legal appeals.

(c) For an individual or standard general environmental resource permit, five years from the date of issuance or such amount of time as made a condition of the permit.

(d) For a noticed general permit issued pursuant to Chapter 40-E-400, F.A.C., five years from the date the notice of intent to use the permit is provided to the District.

(2)(a) Unless prescribed by special permit condition, permits expire automatically according to the timeframes indicated in this rule. If application for extension is made in writing pursuant to subsection (3), the permit shall remain in full force and effect until:

1. the Governing Board takes action on an application for extension of an individual permit,

or

2. staff takes action on an application for extension of a standard general permit.

(b) Installation of the project outfall structure shall not constitute a vesting of the permit.

(3) The permit extension shall be issued provided that a permittee files a written request with the District showing good cause prior to the expiration of the permit. For the purpose of this rule, good cause shall mean a set of extenuating circumstances outside of the control of the permittee. Requests for extensions, which shall include documentation of the extenuating circumstances and how they have delayed this project, will not be accepted more than 180 days prior to the expiration date.

(4) Substantial modifications to Conceptual Approvals will extend the duration of the Conceptual Approval for two years from the date of issuance of the modification. For the purposes of this section, the term "substantial modification" shall mean a modification which is reasonably expected to lead to substantially different water resource or environmental impacts which require a detailed review.

(5) Substantial modifications to individual or standard general environmental resource permits issued pursuant to a permit application extend the duration of the permit for three years from the date of issuance of the modification. Individual or standard general environmental resource permit modifications do not extend the duration of a conceptual approval.

(6) Permit modifications issued pursuant to subsection 40E-4.331(2)(b), F.A.C. (letter modifications) do not extend the duration of a permit.

(7) Failure to complete construction or alteration of the surface water management system and obtain operation phase approval from the District within the permit duration shall require a new permit authorization in order to continue construction unless a permit extension is granted.

Specific authority 373.044, 373.113 F.S. Law Implemented 373.413, 373.416, 373.419, 373.426 F.S. History—New 9-3-81, Amended 1-31-82, 12-1-82, Formerly 16K-4.07(4), Amended 7-1-86, 4/20/94, 10-3-95

**NOTICE OF RIGHTS**

Section 120.569(1), Fla. Stat. (1999), requires that "each notice shall inform the recipient of any administrative hearing or judicial review that is available under this section, s. 120.57, or s. 120.68; shall indicate the procedure which must be followed to obtain the hearing or judicial review, and shall state the time limits which apply." Please note that this Notice of Rights is not intended to provide legal advice. Not all the legal proceedings detailed below may be an applicable or appropriate remedy. You may wish to consult an attorney regarding your legal rights.

**Petition for Administrative Proceedings**

1. A person whose substantial interests are affected by the South Florida Water Management District's (SFWMD) action has the right to request an administrative hearing on that action. The affected person may request either a formal or an informal hearing, as set forth below. A point of entry into administrative proceedings is governed by Rules 28-106.111 and 40E-1.511, Fla. Admin. Code, (also published as an exception to the Uniform Rules of Procedure as Rule 40E-0.109), as set forth below. Petitions are deemed filed upon receipt of the original documents by the SFWMD Clerk.

a. **Formal Administrative Hearing:** If a genuine issue(s) of material fact is in dispute, the affected person seeking a formal hearing on a SFWMD decision which does or may determine their substantial interests shall file a petition for hearing pursuant to Sections 120.569 and 120.57(1), Fla. Stat. or for mediation pursuant to Section 120.573, Fla. Stat. within 21 days, except as provided in subsections c. and d. below, of either written notice through mail or posting or publication of notice that the SFWMD has or intends to take final agency action. Petitions must substantially comply with the requirements of Rule 28-106.201(2), Fla. Admin. Code, a copy of the which is attached to this Notice of Rights.

b. **Informal Administrative Hearing:** If there are no issues of material fact in dispute, the affected person seeking an informal hearing on a SFWMD decision which does or may determine their substantial interests shall file a petition for hearing pursuant to Sections 120.569 and 120.57(2), Fla. Stat. or for mediation pursuant to Section 120.573, Fla. Stat. within 21 days, except as provided in subsections c. and d. below, of either written notice through mail or posting or publication of notice that the SFWMD has or intends to take final agency action. Petitions must substantially comply with the requirements of Rule 28-106.301(2), Fla. Admin. Code, a copy of the which is attached to this Notice of Rights.

**c. Administrative Complaint and Order.**

If a Respondent objects to a SFWMD Administrative Complaint and Order, pursuant to Section 373.119, Fla. Stat. (1997), the person named in the Administrative Complaint and Order may file a petition for a hearing no later than 14 days after the date such order is served. Petitions must substantially comply with the requirements of either subsection a. or b. above.

d. **State Lands Environmental Resource Permit:** Pursuant to Section 373.427, Fla. Stat., and Rule 40E-1.511(3), Fla. Admin. Code (also published as an exception to the Uniform Rules of Procedure as Rule 40E-0.109(2)(c)), a petition objecting to the SFWMD's agency action regarding consolidated applications for Environmental Resource Permits and Use of Sovereign Submerged Lands (SLERPs), must be filed within 14 days of the notice of consolidated intent to grant or deny the SLERP. Petitions must substantially comply with the requirements of either subsection a. or b. above.

**e. Emergency Authorization and Order.**

A person whose substantial interests are affected by a SFWMD Emergency Authorization and Order, has a right to file a petition under Sections 120.569, 120.57(1), and 120.57(2), Fla. Stat., as provided in subsections a. and b. above. However, the person, or the agent of the person responsible for causing or contributing to the emergency conditions shall take whatever action necessary to cause immediate compliance with the terms of the Emergency Authorization and Order.

f. **Order for Emergency Action:** A person whose substantial interests are affected by a SFWMD Order for Emergency Action has a right to file a petition pursuant to Rules 28-107.005 and 40E-1.611, Fla. Admin. Code, copies of which are attached to this Notice of Rights, and Section 373.119(3), Fla. Stat., for a hearing on the Order. Any subsequent agency action or proposed agency action to initiate a formal revocation proceeding shall be separately noticed pursuant to section g. below.

g. **Permit Suspension, Revocation, Annulment, and Withdrawal:** If the SFWMD issues an administrative complaint to suspend, revoke, annul, or withdraw a permit, the permittee may request a hearing to be conducted in accordance with Sections 120.569 and 120.57, Fla. Stat., within 21 days of either written notice through mail or posting or publication of notice that the SFWMD has or intends to take final agency action. Petitions must substantially comply with the requirements of Rule 28-107.004(3), Fla. Admin. Code, a copy of the which is attached to this Notice of Rights.

2. Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the SFWMD's final action may be different from the position taken by it previously. Persons whose substantial interests may be affected by

any such final decision of the SFWMD shall have, pursuant to Rule 40E-1.511(2), Fla. Admin. Code (also published as an exception to the Uniform Rules of Procedure as Rule 40E-0.109(2)(c)), an additional 21 days from the date of receipt of notice of said decision to request an administrative hearing. However, the scope of the administrative hearing shall be limited to the substantial deviation.

3. Pursuant to Rule 40E-1.511(4), Fla. Admin. Code, substantially affected persons entitled to a hearing pursuant to Section 120.57(1), Fla. Stat., may waive their right to such a hearing and request an informal hearing before the Governing Board pursuant to Section 120.57(2), Fla. Stat., which may be granted at the option of the Governing Board.

4. Pursuant to Rule 28-106.111(3), Fla. Admin. Code, persons may file with the SFWMD a request for extension of time for filing a petition. The SFWMD, for good cause shown, may grant the extension. The request for extension must contain a certificate that the petitioner has consulted with all other parties, if any, concerning the extension and that the SFWMD and all other parties agree to the extension.

#### CIRCUIT COURT

5. Pursuant to Section 373.617, Fla. Stat., any substantially affected person who claims that final agency action of the SFWMD relating to permit decisions constitutes an unconstitutional taking of property without just compensation may seek judicial review of the action in circuit court by filing a civil action in the circuit court in the judicial circuit in which the affected property is located within 90 days of the rendering of the SFWMD's final agency action.

6. Pursuant to Section 403.412, Fla. Stat., any citizen of Florida may bring an action for injunctive relief against the SFWMD to compel the SFWMD to enforce the laws of Chapter 373, Fla. Stat., and Title 40E, Fla. Admin. Code. The complaining party must file with the SFWMD Clerk a verified complaint setting forth the facts upon which the complaint is based and the manner in which the complaining party is affected. If the SFWMD does not take appropriate action on the complaint within 30 days of receipt, the complaining party may then file a civil suit for injunctive relief in the 15<sup>th</sup> Judicial Circuit in and for Palm Beach County or circuit court in the county where the cause of action allegedly occurred.

7. Pursuant to Section 373.433, Fla. Stat., a private citizen of Florida may file suit in circuit court to require the abatement of any stormwater management system, dam, impoundment, reservoir, appurtenant work or works that violate the provisions of Chapter 373, Fla. Stat.

#### DISTRICT COURT OF APPEAL

8. Pursuant to Section 120.68, Fla. Stat., a party who is adversely affected by final SFWMD action may seek judicial review of the SFWMD's final decision by filing a notice of appeal pursuant to Florida Rule of Appellate Procedure 9.110 in the Fourth District Court of Appeal or in the appellate district where a party resides and filing a second copy of the notice with the SFWMD Clerk within 30 days of rendering of the final SFWMD action.

#### LAND AND WATER ADJUDICATORY COMMISSION

9. A party to a "proceeding below" may seek review by the Land and Water Adjudicatory Commission (FLAWAC) of SFWMD's final agency action to determine if such action is consistent with the provisions and purposes of Chapter 373, Fla. Stat. Pursuant to Section 373.114, Fla. Stat., and Rules 42-2.013 and 42-2.0132, Fla. Admin. Code, a request for review of (a) an order or rule of the SFWMD must be filed with FLAWAC within 20 days after rendition of the order or adoption of the rule sought to be reviewed; (b) an order of the Department of Environmental Protection (DEP) requiring amendment or repeal of a SFWMD rule must be filed with FLAWAC within 30 days of rendition of the DEP's order, and (c) a SFWMD order entered pursuant to a formal administrative hearing under Section 120.57(1), Fla. Stat., must be filed no later than 20 days after rendition of the SFWMD's final order. Simultaneous with filing, a copy of the request for review must be served on the DEP Secretary, any person named in the SFWMD or DEP final order, and all parties to the proceeding below. A copy of Rule 42-2.013, Fla. Admin. Code is attached to this Notice of Rights.

#### PRIVATE PROPERTY RIGHTS PROTECTION ACT

10. A property owner who alleges a specific action of the SFWMD has inordinately burdened an existing use of the real property, or a vested right to a specific use of the real property, may file a claim in the circuit court where the real property is located within 1 year of the SFWMD action pursuant to the procedures set forth in Subsection 70.001(4)(a), Fla. Stat.

#### LAND USE AND ENVIRONMENTAL DISPUTE RESOLUTION

11. A property owner who alleges that a SFWMD development order (as that term is defined in Section 70.51(2)(a), Fla. Stat. to include permits) or SFWMD enforcement action is unreasonable, or unfairly burdens the use of the real property, may file a request for relief with the SFWMD within 30 days of receipt of the SFWMD's order or notice of agency action pursuant to the procedures set forth in Subsections 70.51(4) and (6), Fla. Stat.

#### MEDIATION

12. A person whose substantial interests are, or may be, affected by the SFWMD's action may choose mediation as an alternative remedy under Section 120.573, Fla. Stat. Pursuant to Rule 28-106.111(2), Fla. Admin. Code, the petition for mediation shall be filed within 21 days of either written notice through mail or posting or

publication of notice that the SFWMD has or intends to take final agency action. Choosing mediation will not affect the right to an administrative hearing if mediation does not result in settlement.

Pursuant to Rule 28-106.402, Fla. Admin. Code, the contents of the petition for mediation shall contain the following information:

- (1) the name, address, and telephone number of the person requesting mediation and that person's representative, if any;
- (2) a statement of the preliminary agency action;
- (3) an explanation of how the person's substantial interests will be affected by the agency determination; and
- (4) a statement of relief sought.

As provided in Section 120.573, Fla. Stat. (1997), the timely agreement of all the parties to mediate will toll the time limitations imposed by Sections 120.569 and 120.57, Fla. Stat., for requesting and holding an administrative hearing. Unless otherwise agreed by the parties, the mediation must be concluded within 60 days of the execution of the agreement. If mediation results in settlement of the dispute, the SFWMD must enter a final order incorporating the agreement of the parties. Persons whose substantial interest will be affected by such a modified agency decision have a right to petition for hearing within 21 days of receipt of the final order in accordance with the requirements of Sections 120.569 and 120.57, Fla. Stat., and SFWMD Rule 28-106.201(2), Fla. Admin. Code. If mediation terminates without settlement of the dispute, the SFWMD shall notify all parties in writing that the administrative hearing process under Sections 120.569 and 120.57, Fla. Stat., remain available for disposition of the dispute, and the notice will specify the deadlines that then will apply for challenging the agency action.

#### VARIANCES AND WAIVERS

13. A person who is subject to regulation pursuant to a SFWMD rule and believes the application of that rule will create a substantial hardship or will violate principles of fairness (as those terms are defined in Subsection 120.542(2), Fla. Stat.) and can demonstrate that the purpose of the underlying statute will be or has been achieved by other means, may file a petition with the SFWMD Clerk requesting a variance from or waiver of the SFWMD rule. Applying for a variance or waiver does not substitute or extend the time for filing a petition for an administrative hearing or exercising any other right that a person may have concerning the SFWMD's action. Pursuant to Rule 28-104.002(2), Fla. Admin. Code, the petition must include the following information:

- (a) the caption shall read:  
Petition for (Variance from) or (Waiver of) Rule (Citation)
- (b) The name, address, telephone number and any facsimile number of the petitioner;

- (c) The name, address telephone number and any facsimile number of the attorney or qualified representative of the petitioner, (if any);
- (d) the applicable rule or portion of the rule;
- (e) the citation to the statute the rule is implementing;
- (f) the type of action requested;
- (g) the specific facts that demonstrate a substantial hardship or violation of principals of fairness that would justify a waiver or variance for the petitioner;
- (h) the reason why the variance or the waiver requested would serve the purposes of the underlying statute; and
- (i) a statement of whether the variance or waiver is permanent or temporary, If the variance or waiver is temporary, the petition shall include the dates indicating the duration of the requested variance or waiver.

A person requesting an emergency variance from or waiver of a SFWMD rule must clearly so state in the caption of the petition. In addition to the requirements of Section 120.542(5), Fla. Stat. pursuant to Rule 28-104.004(2), Fla. Admin. Code, the petition must also include:

- a) the specific facts that make the situation an emergency; and
- b) the specific facts to show that the petitioner will suffer immediate adverse effect unless the variance or waiver is issued by the SFWMD more expeditiously than the applicable timeframes set forth in Section 120.542, Fla. Stat.

#### WAIVER OF RIGHTS

14. Failure to observe the relevant time frames prescribed above will constitute a waiver of such right.

#### 28-106.201 INITIATION OF PROCEEDINGS (INVOLVING DISPUTED ISSUES OF MATERIAL FACT)

- (2) All petitions filed under these rules shall contain:
  - (a) The name and address of each agency affected and each agency's file or identification number, if known;
  - (b) The name, address, and telephone number of the petitioner; the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding, and an explanation of how the petitioner's substantial interests will be affected by the agency determination;
  - (c) A statement of when and how the petitioner received notice of the agency decision;
  - (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
  - (e) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief; and
  - (f) A demand for relief.

**28-106.301 INITIATION OF PROCEEDINGS  
(NOT INVOLVING DISPUTED ISSUES OF MATERIAL FACT)**

- (2) All petitions filed under these rules shall contain:
- (a) The name and address of each agency affected and each agency's file or identification number, if known;
  - (b) The name, address, and telephone number of the petitioner; the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding, and an explanation of how the petitioner's substantial interests will be affected by the agency determination;
  - (c) A statement of when and how the petitioner received notice of the agency decision;
  - (d) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief; and
  - (e) A demand for relief.

**28-107.004 SUSPENSION, REVOCATION, ANNULMENT, OR WITHDRAWAL**

- (3) Requests for hearing filed in accordance with this rule shall include:
- (a) The name and address of the party making the request, for purposes of service;
  - (b) A statement that the party is requesting a hearing involving disputed issues of material fact, or a hearing not involving disputed issues of material fact; and
  - (c) A reference to the notice, order to show cause, administrative complaint, or other communication that the party has received from the agency.

**42-2.013 REQUEST FOR REVIEW PURSUANT TO SECTION 373.114 OR 373.217**

(1) In any proceeding arising under Chapter 373, F.S., review by the Florida Land and Water Adjudicatory Commission may be initiated by the Department or a party by filing a request for such review with the Secretary of the Commission and serving a copy on any person named in the rule or order, and on all parties to the proceeding which resulted in the order sought to be reviewed. A certificate of service showing completion of service as required by this subsection shall be a requirement for a determination of sufficiency under Rule 42-2.0132. Failure to file the request with the Commission within the time period provided in Rule 42-2.0132 shall result in dismissal of the request for review.

(2) The request for review shall identify the rule or order requested to be reviewed, the proceeding in which the rule or order was entered and the nature of the rule or order. A copy of the rule or order sought to be reviewed shall be attached. The request for review shall state with particularity:

- (a) How the order or rule conflicts with the requirements, provisions and purposes of Chapter 373, F.S., or rules duly adopted thereunder;

(b) How the rule or order sought to be reviewed affects the interests of the party seeking review;

(c) The oral or written statement, sworn or unsworn, which was submitted to the agency concerning the matter to be reviewed and the date and location of the statement; if the individual or entity requesting the review has not participated in a proceeding previously instituted pursuant to Chapter 120, F.S., on the order for which review is sought;

(d) If review of an order is being sought, whether and how the activity authorized by the order would substantially affect natural resources of statewide or regional significance, or whether the order raises issues of policy, statutory interpretation, or rule interpretation that have regional or statewide significance from a standpoint of agency precedent, and all the factual bases in the record which the petitioner claims support such determination(s); and

(e) The action requested to be taken by the Commission as a result of the review, whether to rescind or modify the order, or remand the proceeding to the water management district for further action, or to require the water management district to initiate rulemaking to adopt, amend or repeal a rule.

**28-107.005 EMERGENCY ACTION**

(1) If the agency finds that immediate serious danger to the public health, safety, or welfare requires emergency action, the agency shall summarily suspend, limit, or restrict a license.

(2) The 14-day notice requirement of Section 120.569(2)(b), F. S., does not apply and shall not be construed to prevent a hearing at the earliest time practicable upon request of an aggrieved party.

(3) Unless otherwise provided by law, within 20 days after emergency action taken pursuant to paragraph (1) of this rule, the agency shall initiate a formal suspension or revocation proceeding in compliance with Sections 120.569, 120.57, and 120.60, F.S.

**40E-1.611 EMERGENCY ACTION**

(1) An emergency exists when immediate action is necessary to protect public health, safety or welfare; the health of animals, fish or aquatic life; the works of the District; a public water supply, or recreational, commercial, industrial, agricultural or other reasonable uses of land and water resources.

(2) The Executive Director may employ the resources of the District to take whatever remedial action necessary to alleviate the emergency condition without the issuance of an emergency order, or in the event an emergency order has been issued, after the expiration of the requisite time for compliance with that order.

## GENERAL CONDITIONS

1. ALL ACTIVITIES AUTHORIZED BY THIS PERMIT SHALL BE IMPLEMENTED AS SET FORTH IN THE PLANS, SPECIFICATIONS AND PERFORMANCE CRITERIA AS APPROVED BY THIS PERMIT. ANY DEVIATION FROM THE PERMITTED ACTIVITY AND THE CONDITIONS FOR UNDERTAKING THAT ACTIVITY SHALL CONSTITUTE A VIOLATION OF THIS PERMIT AND PART IV, CHAPTER 373, F.S.
2. THIS PERMIT OR A COPY THEREOF, COMPLETE WITH ALL CONDITIONS, ATTACHMENTS, EXHIBITS, AND MODIFICATIONS SHALL BE KEPT AT THE WORK SITE OF THE PERMITTED ACTIVITY. THE COMPLETE PERMIT SHALL BE AVAILABLE FOR REVIEW AT THE WORK SITE UPON REQUEST BY THE DISTRICT STAFF. THE PERMITTEE SHALL REQUIRE THE CONTRACTOR TO REVIEW THE COMPLETE PERMIT PRIOR TO COMMENCEMENT OF THE ACTIVITY AUTHORIZED BY THIS PERMIT.
3. ACTIVITIES APPROVED BY THIS PERMIT SHALL BE CONDUCTED IN A MANNER WHICH DOES NOT CAUSE VIOLATIONS OF STATE WATER QUALITY STANDARDS. THE PERMITTEE SHALL IMPLEMENT BEST MANAGEMENT PRACTICES FOR EROSION AND POLLUTION CONTROL TO PREVENT VIOLATION OF STATE WATER QUALITY STANDARDS. TEMPORARY EROSION CONTROL SHALL BE IMPLEMENTED PRIOR TO AND DURING CONSTRUCTION, AND PERMANENT CONTROL MEASURES SHALL BE COMPLETED WITHIN 7 DAYS OF ANY CONSTRUCTION ACTIVITY. TURBIDITY BARRIERS SHALL BE INSTALLED AND MAINTAINED AT ALL LOCATIONS WHERE THE POSSIBILITY OF TRANSFERRING SUSPENDED SOLIDS INTO THE RECEIVING WATERBODY EXISTS DUE TO THE PERMITTED WORK. TURBIDITY BARRIERS SHALL REMAIN IN PLACE AT ALL LOCATIONS UNTIL CONSTRUCTION IS COMPLETED AND SOILS ARE STABILIZED AND VEGETATION HAS BEEN ESTABLISHED. ALL PRACTICES SHALL BE IN ACCORDANCE WITH THE GUIDELINES AND SPECIFICATIONS DESCRIBED IN CHAPTER 6 OF THE FLORIDA LAND DEVELOPMENT MANUAL; A GUIDE TO SOUND LAND AND WATER MANAGEMENT (DEPARTMENT OF ENVIRONMENTAL REGULATION, 1988), INCORPORATED BY REFERENCE IN RULE 40E-4.091, F.A.C. UNLESS A PROJECT-SPECIFIC EROSION AND SEDIMENT CONTROL PLAN IS APPROVED AS PART OF THE PERMIT. THEREAFTER THE PERMITTEE SHALL BE RESPONSIBLE FOR THE REMOVAL OF THE BARRIERS. THE PERMITTEE SHALL CORRECT ANY EROSION OR SHOALING THAT CAUSES ADVERSE IMPACTS TO THE WATER RESOURCES.
4. THE PERMITTEE SHALL NOTIFY THE DISTRICT OF THE ANTICIPATED CONSTRUCTION START DATE WITHIN 30 DAYS OF THE DATE THAT THIS PERMIT IS ISSUED. AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF ACTIVITY AUTHORIZED BY THIS PERMIT, THE PERMITTEE SHALL SUBMIT TO THE DISTRICT AN ENVIRONMENTAL RESOURCE PERMIT CONSTRUCTION COMMENCEMENT NOTICE FORM NO. 0960 INDICATING THE ACTUAL START DATE AND THE EXPECTED COMPLETION DATE.
5. WHEN THE DURATION OF CONSTRUCTION WILL EXCEED ONE YEAR, THE PERMITTEE SHALL SUBMIT CONSTRUCTION STATUS REPORTS TO THE DISTRICT ON AN ANNUAL BASIS UTILIZING AN ANNUAL STATUS REPORT FORM. STATUS REPORT FORMS SHALL BE SUBMITTED THE FOLLOWING JUNE OF EACH YEAR.

- BOOK 13616 PAGE 100A
6. WITHIN 30 DAYS AFTER COMPLETION OF CONSTRUCTION OF THE PERMITTED ACTIVITY, THE PERMITTEE SHALL SUBMIT A WRITTEN STATEMENT OF COMPLETION AND CERTIFICATION BY A REGISTERED PROFESSIONAL ENGINEER OR OTHER APPROPRIATE INDIVIDUAL AS AUTHORIZED BY LAW, UTILIZING THE SUPPLIED ENVIRONMENTAL RESOURCE PERMIT CONSTRUCTION COMPLETION/CONSTRUCTION CERTIFICATION FORM NO.0881. THE STATEMENT OF COMPLETION AND CERTIFICATION SHALL BE BASED ON ONSITE OBSERVATION OF CONSTRUCTION OR REVIEW OF ASBUILT DRAWINGS FOR THE PURPOSE OF DETERMINING IF THE WORK WAS COMPLETED IN COMPLIANCE WITH PERMITTED PLANS AND SPECIFICATIONS. THIS SUBMITTAL SHALL SERVE TO NOTIFY THE DISTRICT THAT THE SYSTEM IS READY FOR INSPECTION. ADDITIONALLY, IF DEVIATION FROM THE APPROVED DRAWINGS ARE DISCOVERED DURING THE CERTIFICATION PROCESS, THE CERTIFICATION MUST BE ACCOMPANIED BY A COPY OF THE APPROVED PERMIT DRAWINGS WITH DEVIATIONS NOTED. BOTH THE ORIGINAL AND REVISED SPECIFICATIONS MUST BE CLEARLY SHOWN. THE PLANS MUST BE CLEARLY LABELED AS "ASBUILT" OR "RECORD" DRAWING. ALL SURVEYED DIMENSIONS AND ELEVATIONS SHALL BE CERTIFIED BY A REGISTERED SURVEYOR.
  7. THE OPERATION PHASE OF THIS PERMIT SHALL NOT BECOME EFFECTIVE: UNTIL THE PERMITTEE HAS COMPLIED WITH THE REQUIREMENTS OF CONDITION (6) ABOVE, HAS SUBMITTED A REQUEST FOR CONVERSION OF ENVIRONMENTAL RESOURCE PERMIT FROM CONSTRUCTION PHASE TO OPERATION PHASE, FORM NO.0920; THE DISTRICT DETERMINES THE SYSTEM TO BE IN COMPLIANCE WITH THE PERMITTED PLANS AND SPECIFICATIONS; AND THE ENTITY APPROVED BY THE DISTRICT IN ACCORDANCE WITH SECTIONS 9.0 AND 10.0 OF THE BASIS OF REVIEW FOR ENVIRONMENTAL RESOURCE PERMIT APPLICATIONS WITHIN THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT - AUGUST 1995, ACCEPTS RESPONSIBILITY FOR OPERATION AND MAINTENANCE OF THE SYSTEM. THE PERMIT SHALL NOT BE TRANSFERRED TO SUCH APPROVED OPERATION AND MAINTENANCE ENTITY UNTIL THE OPERATION PHASE OF THE PERMIT BECOMES EFFECTIVE. FOLLOWING INSPECTION AND APPROVAL OF THE PERMITTED SYSTEM BY THE DISTRICT, THE PERMITTEE SHALL INITIATE TRANSFER OF THE PERMIT TO THE APPROVED RESPONSIBLE OPERATING ENTITY IF DIFFERENT FROM THE PERMITTEE. UNTIL THE PERMIT IS TRANSFERRED PURSUANT TO SECTION 40E-1.6107, F.A.C., THE PERMITTEE SHALL BE LIABLE FOR COMPLIANCE WITH THE TERMS OF THE PERMIT.
  8. EACH PHASE OR INDEPENDENT PORTION OF THE PERMITTED SYSTEM MUST BE COMPLETED IN ACCORDANCE WITH THE PERMITTED PLANS AND PERMIT CONDITIONS PRIOR TO THE INITIATION OF THE PERMITTED USE OF SITE INFRASTRUCTURE LOCATED WITHIN THE AREA SERVED BY THAT PORTION OR PHASE OF THE SYSTEM. EACH PHASE OR INDEPENDENT PORTION OF THE SYSTEM MUST BE COMPLETED IN ACCORDANCE WITH THE PERMITTED PLANS AND PERMIT CONDITIONS PRIOR TO TRANSFER OF RESPONSIBILITY FOR OPERATION AND MAINTENANCE OF THE PHASE OR PORTION OF THE SYSTEM TO A LOCAL GOVERNMENT OR OTHER RESPONSIBLE ENTITY.
  9. FOR THOSE SYSTEMS THAT WILL BE OPERATED OR MAINTAINED BY AN ENTITY THAT WILL REQUIRE AN EASEMENT OR DEED RESTRICTION IN ORDER TO ENABLE THAT ENTITY TO OPERATE OR MAINTAIN THE SYSTEM IN CONFORMANCE WITH THIS PERMIT, SUCH EASEMENT OR DEED RESTRICTION MUST BE RECORDED IN THE PUBLIC RECORDS AND SUBMITTED TO THE DISTRICT ALONG WITH ANY OTHER FINAL OPERATION AND MAINTENANCE DOCUMENTS REQUIRED BY SECTIONS 9.0 AND 10.0 OF THE BASIS OF REVIEW FOR ENVIRONMENTAL RESOURCE PERMIT APPLICATIONS WITHIN THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT - AUGUST 1995, PRIOR TO LOT OR UNIT SALES OR PRIOR TO THE COMPLETION OF THE SYSTEM, WHICHEVER OCCURS FIRST. OTHER DOCUMENTS CONCERNING THE ESTABLISHMENT AND AUTHORITY OF THE OPERATING ENTITY MUST BE FILED WITH THE SECRETARY OF STATE WHERE APPROPRIATE. FOR THOSE SYSTEMS WHICH ARE PROPOSED TO BE MAINTAINED BY THE COUNTY OR MUNICIPAL ENTITIES, FINAL OPERATION AND MAINTENANCE DOCUMENTS MUST BE RECEIVED BY THE DISTRICT WHEN MAINTENANCE AND OPERATION OF THE SYSTEM IS ACCEPTED BY THE LOCAL GOVERNMENT ENTITY. FAILURE TO SUBMIT THE APPROPRIATE FINAL DOCUMENTS WILL RESULT IN THE PERMITTEE REMAINING LIABLE FOR CARRYING OUT MAINTENANCE AND OPERATION OF THE PERMITTED SYSTEM AND ANY OTHER PERMIT CONDITIONS.

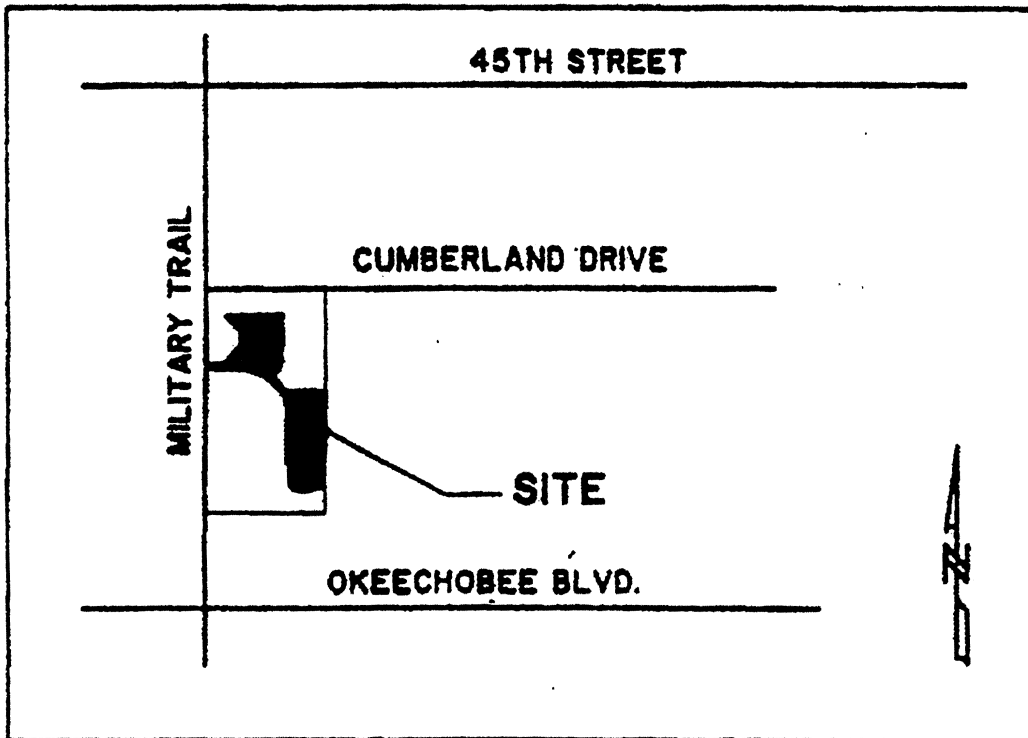


10. SHOULD ANY OTHER REGULATORY AGENCY REQUIRE CHANGES TO THE PERMITTED SYSTEM, THE PERMITTEE SHALL NOTIFY THE DISTRICT IN WRITING OF THE CHANGES PRIOR TO IMPLEMENTATION SO THAT A DETERMINATION CAN BE MADE WHETHER A PERMIT MODIFICATION IS REQUIRED.
11. THIS PERMIT DOES NOT ELIMINATE THE NECESSITY TO OBTAIN ANY REQUIRED FEDERAL, STATE, LOCAL AND SPECIAL DISTRICT AUTHORIZATIONS PRIOR TO THE START OF ANY ACTIVITY APPROVED BY THIS PERMIT. THIS PERMIT DOES NOT CONVEY TO THE PERMITTEE OR CREATE IN THE PERMITTEE ANY PROPERTY RIGHT, OR ANY INTEREST IN REAL PROPERTY, NOR DOES IT AUTHORIZE ANY ENTRANCE UPON OR ACTIVITIES ON PROPERTY WHICH IS NOT OWNED OR CONTROLLED BY THE PERMITTEE, OR CONVEY ANY RIGHTS OR PRIVILEGES OTHER THAN THOSE SPECIFIED IN THE PERMIT AND CHAPTER 40E-4 OR CHAPTER 40E-40, F.A.C.
12. THE PERMITTEE IS HEREBY ADVISED THAT SECTION 253.77, F.S. STATES THAT A PERSON MAY NOT COMMENCE ANY EXCAVATION, CONSTRUCTION, OR OTHER ACTIVITY INVOLVING THE USE OF SOVEREIGN OR OTHER LANDS OF THE STATE, THE TITLE TO WHICH IS VESTED IN THE BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND WITHOUT OBTAINING THE REQUIRED LEASE, LICENSE, EASEMENT, OR OTHER FORM OF CONSENT AUTHORIZING THE PROPOSED USE. THEREFORE, THE PERMITTEE IS RESPONSIBLE FOR OBTAINING ANY NECESSARY AUTHORIZATIONS FROM THE BOARD OF TRUSTEES PRIOR TO COMMENCING ACTIVITY ON SOVEREIGNTY LANDS OR OTHER STATE-OWNED LANDS.
13. THE PERMITTEE MUST OBTAIN A WATER USE PERMIT PRIOR TO CONSTRUCTION DEWATERING, UNLESS THE WORK QUALIFIES FOR A GENERAL PERMIT PURSUANT TO SUBSECTION 40E-20.302(4), F.A.C., ALSO KNOWN AS THE "NO NOTICE" RULE.
14. THE PERMITTEE SHALL HOLD AND SAVE THE DISTRICT HARMLESS FROM ANY AND ALL DAMAGES, CLAIMS, OR LIABILITIES WHICH MAY ARISE BY REASON OF THE CONSTRUCTION, ALTERATION, OPERATION, MAINTENANCE, REMOVAL, ABANDONMENT OR USE OF ANY SYSTEM AUTHORIZED BY THE PERMIT.
15. ANY DELINEATION OF THE EXTENT OF A WETLAND OR OTHER SURFACE WATER SUBMITTED AS PART OF THE PERMIT APPLICATION, INCLUDING PLANS OR OTHER SUPPORTING DOCUMENTATION, SHALL NOT BE CONSIDERED BINDING UNLESS A SPECIFIC CONDITION OF THIS PERMIT OR A FORMAL DETERMINATION UNDER SECTION 373.421(2), F.S., PROVIDES OTHERWISE.
16. THE PERMITTEE SHALL NOTIFY THE DISTRICT IN WRITING WITHIN 30 DAYS OF ANY SALE, CONVEYANCE, OR OTHER TRANSFER OF OWNERSHIP OR CONTROL OF A PERMITTED SYSTEM OR THE REAL PROPERTY ON WHICH THE PERMITTED SYSTEM IS LOCATED. ALL TRANSFERS OF OWNERSHIP OR TRANSFERS OF A PERMIT ARE SUBJECT TO THE REQUIREMENTS OF RULES 40E-1.6105 AND 40E-1.6107, F.A.C. THE PERMITTEE TRANSFERRING THE PERMIT SHALL REMAIN LIABLE FOR CORRECTIVE ACTIONS THAT MAY BE REQUIRED AS A RESULT OF ANY VIOLATIONS PRIOR TO THE SALE, CONVEYANCE OR OTHER TRANSFER OF THE SYSTEM.
17. UPON REASONABLE NOTICE TO THE PERMITTEE, DISTRICT AUTHORIZED STAFF WITH PROPER IDENTIFICATION SHALL HAVE PERMISSION TO ENTER, INSPECT, SAMPLE AND TEST THE SYSTEM TO INSURE CONFORMITY WITH THE PLANS AND SPECIFICATIONS APPROVED BY THE PERMIT.
18. IF HISTORICAL OR ARCHAEOLOGICAL ARTIFACTS ARE DISCOVERED AT ANY TIME ON THE PROJECT SITE, THE PERMITTEE SHALL IMMEDIATELY NOTIFY THE APPROPRIATE DISTRICT SERVICE CENTER.
19. THE PERMITTEE SHALL IMMEDIATELY NOTIFY THE DISTRICT IN WRITING OF ANY PREVIOUSLY SUBMITTED INFORMATION THAT IS LATER DISCOVERED TO BE INACCURATE.



SPECIAL CONDITIONS

1. DISCHARGE FACILITIES: THROUGH PREVIOUSLY PERMITTED FACILITIES.
2. THE PERMITTEE SHALL BE RESPONSIBLE FOR THE CORRECTION OF ANY EROSION, SHOALING OR WATER QUALITY PROBLEMS THAT RESULT FROM THE CONSTRUCTION OR OPERATION OF THE SURFACE WATER MANAGEMENT SYSTEM.
3. MEASURES SHALL BE TAKEN DURING CONSTRUCTION TO INSURE THAT SEDIMENTATION AND/OR TURBIDITY PROBLEMS ARE NOT CREATED IN THE RECEIVING WATER.
4. THE DISTRICT RESERVES THE RIGHT TO REQUIRE THAT ADDITIONAL WATER QUALITY TREATMENT METHODS BE INCORPORATED INTO THE DRAINAGE SYSTEM IF SUCH MEASURES ARE SHOWN TO BE NECESSARY.
5. LAKE SIDE SLOPES SHALL BE NO STEEPER THAN 4:1 (HORIZONTAL:VERTICAL) TO A DEPTH OF TWO FEET BELOW THE CONTROL ELEVATION. SIDE SLOPES SHALL BE TOP SOILED AND STABILIZED THROUGH SEEDING OR PLANTING FROM 2 FEET BELOW TO 1 FOOT ABOVE THE CONTROL ELEVATION TO PROMOTE VEGETATIVE GROWTH.
6. FACILITIES OTHER THAN THOSE STATED HEREIN SHALL NOT BE CONSTRUCTED WITHOUT AN APPROVED MODIFICATION OF THIS PERMIT.
7. ALL SPECIAL CONDITIONS, EXHIBITS AND OTHER MATERIALS PREVIOUSLY STIPULATED BY PERMIT NUMBER 50-04852-P REMAIN IN EFFECT UNLESS OTHERWISE REVISED AND SHALL APPLY TO THIS MODIFICATION.
8. OPERATION OF THE PRIMARY SURFACE WATER MANAGEMENT SYSTEM SHALL BE THE RESPONSIBILITY OF THE LAGUNA MASTER ASSOCIATION, INC. OPERATION OF THE SURFACE WATER MANAGEMENT SYSTEM OUTLINED IN THIS APPLICATION SHALL BE THE RESPONSIBILITY OF THE PERMITTEE.
9. REFERENCE IS MADE TO EXHIBIT 2, SHEETS 1 THROUGH 12, BY MICHAEL B. SCHORAH & ASSOCIATES, INC., CONSISTING OF PLAN/PROFILE SHEETS AND DRAINAGE DETAILS. THE DRAWINGS HAVE BEEN SIGNED AND SEALED BY FREDERICK ROTH, JR., P.E., OF MICHAEL B. SCHORAH & ASSOCIATES, INC. ON MAY 16, 2001 AND HAVE BEEN INCORPORATED INTO THIS PERMIT BY REFERENCE (PLEASE SEE PERMIT FILE).



**LOCATION MAP**

(NOT TO SCALE)

EXHIBIT 1

**Exhibit 2**

Please see permit file  
(plan set, sheets 1-12)

PROJECT: WESTBROOKE AT BRIGER PARCELS B E AND F

PERMIT SUMMARY SHEET

APPLICATION NUMBER: 010517-13

PERMIT MODIFICATION NO.: 50-04852-P-03

LOCATION: PALM BEACH COUNTY, S12/T43S/R42E

OWNER: DURHAM-FLORIDA PROPERTIES, LLC

ENGINEER: SCHORAH AND ASSOCIATES INC

PROJECT AREA: 70.85 ACRES DRAINAGE AREA: 70.85 ACRES

PROJECT USE: RESIDENTIAL

**FACILITIES:**

1. EXISTING: This site is located in the southeast intersection of Military Trail and Cumberland Drive in the City of West Palm Beach (please refer to Exhibit 1). The overall project is within the NPBCID's Unit of Development No. 4. Phase I is existing as previously permitted and the wet detention lakes are currently under construction.
2. PROPOSED: Authorization for construction and operation approval has been requested for a surface water management (SWM) system serving 70.85 acres of residential development known as Westbrooke at Briger, Parcels B, E & F. Proposed construction includes 258 single-family units with associated utilities, recreational facilities and pavement/parking areas. Runoff from the site will be collected by a series of inlets and culverts and directed to the wet detention lakes of the master SWM system for water quality treatment and storm attenuation. The project ultimately discharges to the C-17 Canal through the NPBCID's canal system.

Reference is made to Exhibit 2, Sheets 1 through 12, by Michael B. Schorah & Associates, Inc., consisting of Plan/Profile Sheets and Drainage Details. The drawings have been signed and sealed by Frederick Roth, Jr., P.E., of Michael B. Schorah & Associates, Inc. on May 16, 2001 and have been incorporated into this permit by reference (please see permit file).

PROJECT LEVEL:

DRAINAGE BASIN: C-17

Exhibit 3A

APPLICATION NUMBER: 010517-13

RECEIVING BODY: MASTER SWM SYSTEM

**WATER QUALITY:**

Water quality treatment for the proposed development will be provided in the wet detention lakes of the master SWM system.

**ENVIRONMENTAL ASSESSMENT:**

**ENVIRONMENTAL SUMMARY:**

The proposed project is a modification of the previously permitted Briger Tract (Permit No. 50-04852-P) for the construction of Parcels B, E and F.

All wetland impacts and mitigation requirements for the Briger Tract have been addressed in the previous permit. The applicant mitigated for 0.90 acre of wetland impacts through the purchase of 0.90 credit from the Loxahatchee Mitigation Bank. There was an additional 0.38 acre of wetland impacts and 0.24 acre of other surface waters impact, however, since the wetland is less than 0.50 acre in total size, the permittee was not required to provide mitigation for this proposed impact. There are no additional wetland protection or mitigation requirements in the permit for this parcel.

The proposed activities have been evaluated for potential secondary and cumulative impacts and to determine if the project is contrary to the public interest. Based upon the proposed project design, the District has determined that the project will not cause adverse secondary or cumulative impacts to the water resources and is not contrary to the public interest.

**APPLICABLE LAND USE:**

The column listed as THIS PHASE reflects a land use breakdown for Westbrooke at Briger, Parcels B, E & F.

	TOTAL PROJECT	PREVIOUSLY PERMITTED	THIS PHASE	
TOTAL ACRES	272.89	86.82	70.85	acres
WTRM ACREAGE	31.01	31.01	.00	acres
PAVEMENT	75.23	15.01	11.23	acres
BUILD COVERAGE	62.19	11.37	16.91	acres
PERVIOUS	104.46	29.43	42.71	acres

Exhibit 3B

APPLICATION NUMBER: 010517-13

COMMENTS:

1. Discharge Rate: This parcel overflows to the Briger Tract (Lakes of Laguna) master SWM system. The proposed project is consistent with the site grading and land use assumptions from the design of the master SWM system. Therefore, discharge from the project will not be limited to a specified rate for the design storm event.

DEPARTMENT APPROVAL:

NATURAL RESOURCE MANAGEMENT

Anita R. Bain  
Anita R. Bain

DATE: 6/27/01

SURFACE WATER MANAGEMENT

Hugo A. Carter  
Hugo A. Carter, P.E.

DATE: 27 June 01

STAFF REPORT DISTRIBUTION LIST

WESTBROOKE AT BRIGER PARCELS B E AND F  
APPLICATION NUMBER: 010517-13  
PERMIT MODIFICATION NUMBER: 50-04852-P-03

INTERNAL DISTRIBUTION

Reviewer:

- X Carolyn H. Farmer
- X Kevin P. Snell
- X Anita R. Bain
- X Hugo A. Carter, P.E.
  - J. Golden - REG
  - R. Robbins - NRM
- X P. Walker, PBCSC - 1680
  - A. Waterhouse - REG
- X P. Bell - LEG
- X ERC Engineering
- X ERC Environmental
- X Enforcement
- X Permit File

DEPT. OF ENVIRONMENTAL PROTECTION

EXTERNAL DISTRIBUTION

- X Owner:  
DURHAM-FLORIDA PROPERTIES, LLC
- X Applicant:  
WESTBROOKE COMPANIES INC
- X Applicant's Consultant  
SCHORAH AND ASSOCIATES INC
- X Engineer, County of:  
PALM BEACH
- X Engineer, City of:  
West Palm Beach
- X Local Drainage District:  
NPBCID

COUNTY

- X Palm Beach -Building Division
- Environmental Res Mgmt
- Health Dept
- Land Development Div
- School Board Growth Mgt

BUILDING AND ZONING

OTHER

- FDEP
- Florida Audubon - Charles Lee
- Florida Fish & Wildlife Conservation Com
- Michael N. Vanatta
- Mr. Ed Dailey, President
- X Rosa Durando
- X Sierra Club, Loxahatchee
- Timothy K Large, Bldg Code Permit Admini

EXHIBIT 4

Prepared by and return to:  
Charles D. Robbins, Esquire  
CHARLES D. ROBBINS, P.A.  
5214 La Gorce Drive  
Miami Beach, Florida 33140-2106

04/17/2002 12:45:17 20020195848  
OR BK 13616 PG 1025  
Palm Beach County, Florida

**FOURTH AMENDMENT TO  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR THE LAKES OF LAGUNA**

**THIS AMENDMENT** to Declaration is made this 15th day of March, 2002 by Durham-Florida Properties, LLC, a Florida limited liability company, ("Durham"), and The Laguna Master Association, Inc., (the "Master Association").

**WHEREAS**, pursuant to Article IX, Section 5 of that certain Declaration of Covenants and Restrictions for the Lakes of Laguna recorded in Official Records Book 9770, at Page 849 of the Public Records of Palm Beach County, Florida (the "Declaration"), the Fee Owners (as defined therein) have the right to amend the Declaration; and

**WHEREAS**, the rights of the Fee Owners have been assigned to Durham; and

**WHEREAS**, Durham deems it in the best interest of the Master Association and all properties subject to the Declaration that certain amendments to the Declaration (as set forth below) be made, and the Master Association concurs.

**NOW THEREFORE**, the Declaration is hereby amended as follows:

The following Articles X, XI, XII and XIII are hereby added to the Declaration as if fully set forth therein:

**ARTICLE X**

**CERTAIN USE RESTRICTIONS**

Section 1. Applicability. The provisions of this Article X shall be applicable to all of The Properties but shall not be applicable to Fee Owners, Builder, or any of its designees or Lots or other property owned by Fee Owners, Builder, or their respective designees.

Section 2. Land Use and Building Type. No Lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes, or as a



related garage, if applicable. No building shall be erected, altered, placed or permitted to remain on any Lot other than one Unit. Temporary uses by Fee Owners and its affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such uses, shall be permitted until the permanent cessation of such uses takes place. No changes may be made in buildings erected by Fee Owners or its affiliates (except if such changes are made by Fee Owners) without the consent of the Architectural Control Board.

Section 3. Opening Blank Walls; Removing Fences. Without limiting the generality of Section 11 below, no Owner shall make or permit any opening to be made in any blank wall (except as such opening is initially installed) or masonry wall or fence. Further, no such building wall or masonry wall or fence, if any, shall be demolished or removed without the prior written consent of Fee Owners (so long as it owns any portion of The Properties) and the Architectural Control Board. Fee Owners shall have the right, but not be obligated, to assign all or any portion of its rights and privileges under this Section to the Association.

Section 4. Easements. Easements for the installation and maintenance of utilities are reserved as provided herein. The area of each Lot covered by an easement and all improvements in such area shall be maintained continuously by the Association to the extent provided herein, except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association, and Fee Owners and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance, all underground, of water lines, sanitary sewers, storm drains, and electric and telephone lines, cables and conduits, under and through the utility easements as provided herein.

Section 5. Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the occupants of other Lots. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

Section 6. Temporary Structures; Gas Tanks; Other Outdoor Equipment. Except as may be approved or used by Fee Owners during construction and/or sales periods, no structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within The Properties at any time or used at any time as a residence, either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Unit or on or about any ancillary building, except for gas tanks which are used for swimming pool heaters which are screened from view, one (1) gas cylinder (not to exceed 20 lbs. capacity) connected to a barbecue grill and/or such other tank as is designed and used for household purposes and approved by the Architectural Control Board. Any outdoor equipment such as, but not limited to, pool pumps and water softening devices shall be completely screened from the view of anyone not standing on the Lot by the use of landscaping or other means (in any event, as approved by the Architectural Control Board); provided, however, that the use of such screening shall not obviate the requirement that the installation of any such equipment nevertheless be approved by the Architectural Control Board.

Section 7. Signs. No sign of any kind shall be displayed to the public view on any Lot except for the following:

(a) The exclusive sales agent for the Fee Owners may place one professional sign advertising the Unit for sale.

(b) One sign of not more than one (1) square foot which may be used to indicate the name of the resident(s) of the Unit.

(c) One (1) "for sale" or "for rent" sign may be displayed under the following conditions:

(i) The sign may identify the property, the owner or agent and the address and telephone number of the owner or agent relative to the premises upon which the sign is located.

(ii) The face surface of such sign shall not be larger than eight (8) inches in width and eight (8) inches in height, including, any rider thereto.

(iii) The sign shall be constructed of metal, plastic, wood or pressed wood and shall be fastened to a supporting member constructed of angle iron not exceeding one (1) inch by one (1) inch or a two (2) inch by two (2) inch wooden post, provided that said supporting member shall be all white or all black in color and have no letters or numbers upon it.

(iv) The supporting member shall be driven into the ground to provide that the top of the face of such sign shall not be more than four (4) feet above the finished grade of the ground.

(v) All such signs shall be lettered professionally, but such signs shall not be required to be submitted to the Association for approval.

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

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

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

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

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

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

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

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

**Section 8. Oil and Mining Operation.** No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in The Properties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions.

**Section 9. Pets, Livestock and Poultry.** No animals, reptiles, wildlife, livestock or poultry of any kind shall be raised, bred or kept on any Lot for any commercial purpose. Further, no animals or pets of any kind shall be permitted to become a nuisance or annoyance to any neighbor by reason of barking or otherwise. No dogs or other pets shall be permitted to have excretions on any Common Areas, except areas designated by the Association, if any, and Owners shall be responsible to clean-up any such excretions. ALL PETS SHALL BE KEPT ON A LEASH WHEN NOT IN THE APPLICABLE UNIT OR FULLY ENCLOSED IN REAR YARD. Pets shall also be subject to all applicable rules and regulations.

**Section 10. Visibility at Intersections.** No obstruction to visibility at street intersections or Common Area intersections shall be permitted; provided that the Association shall not be liable in any manner to any person or entity, including Owners and Members Permittees, for any damages, injuries or deaths arising from any violation of this Section.

**Section 11. Architectural Control.** No building or other structure or improvement of any nature (including, but not limited to, pools, screen enclosures, patios or patio extensions, hedges, other landscaping, exterior paint or finish, awnings, antennae or satellite or microwave dishes, shutters, hurricane protection, basketball hoops, swing sets or play equipment, decorative plaques or accessories, birdhouses, other pet houses, swales, asphaltting, sidewalk/driveway surfaces or treatments or other improvements or changes of any kind, even if not permanently affixed to the land or to other improvements) shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Architectural Control Board (which shall be a committee appointed by the Fee Owners for so long as it owns any portion of the Properties, and thereafter, a committee appointed by the Board of Directors of the Association, absent such appointment the Board to serve in such capacity) have been approved, if at all, in writing by the Architectural Control Board and all necessary governmental permits are obtained. Fences, walls and similar improvements shall be governed by Section 15 below. Conversions of garages to living space or other uses are hereby prohibited, even though same are not readily apparent from the exteriors of applicable Units. Each building, wall, fence (if any) or other structure or improvement of any nature, together with landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved and applicable governmental permits and requirements. Refusal of approval of plans, specifications and location plans, or any of them, may be based on any grounds, including purely aesthetic ones, which in the sole and uncontrolled discretion of said Architectural Control Board are deemed sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of screen enclosures, doors, windows, patios or patio extensions, hedges, landscaping, exterior paint or finish, shutters, hurricane protection, basketball hoops, swing sets or play equipment, decorative plaques or accessories, birdhouses, other pet houses, swales, asphaltting, and/or sidewalk/driveway surfaces or treatments shall be deemed an alteration requiring approval. The Architectural Control Board shall have the power to promulgate such rules and regulations as it

deems necessary to carry out the provisions and intent of this paragraph. A majority of the Board may take any action the Board is empowered to take, may designate a representative to act for the Board and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Board, the remaining members shall have full authority to designate a successor. The members of the Board shall not be entitled to any compensation for services performed pursuant to this covenant, unless engaged by the Association in a professional capacity. The Architectural Control Board shall act on submissions to it within forty-five (45) days after receipt of the same (and all further documentation required by it) or else the request shall be deemed approved. No request for approval shall be valid or require any action unless and until all assessments on the applicable Lot (and any interest and late charges thereon) have been paid in full. In light of the fact that the types, styles and locations of Units may differ among the Neighborhoods, in approving or disapproving requests submitted to it hereunder the Architectural Control Board may vary its standards among the Neighborhoods to reflect such differing characteristics. Accordingly, the fact that the Architectural Control Board may approve or disapprove a request pertaining to a Lot in one Neighborhood shall not serve as precedent for a similar request from an Owner in another Neighborhood where the latter has relevant characteristics differing from the former. In determining standards for architectural approval in specific Neighborhoods, the Architectural Control Board may, but shall not be required to, consult with the applicable Neighborhood Advisory Committee in such regard, provided that the Architectural Control Board shall be the final authority in determining and enforcing such standards. In the event that any new improvement or landscaping is added to a Unit/Lot, or any existing improvement on a Lot is altered, in violation of this Section, the Association shall have the right (and an easement and license) to enter upon the applicable Lot and remove or otherwise remedy the applicable violation after giving the Owner of the Lot at least ten (10) days' prior written notice of, and opportunity to cure, the violation in question. The costs of such remedial work and a surcharge of a minimum of \$25.00 (but in no event more than thirty-five percent (35%) of the aforesaid costs) shall be a special assessment against the Lot, which assessment shall be payable upon demand and secured by the lien for assessments provided for in this Declaration. The approval of any proposed improvements or alterations by the Architectural Control Board shall not constitute a warranty or approval as to, and neither the Association nor any member or representative of the Architectural Control Board or the Board of Directors shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations. The Architectural Control Board may, but shall not be required to, require that any request for its approval be accompanied by the written consent of the Owners of the Lots [up to five (5)] adjoining or nearby the Lot/Unit proposed to be altered or further improved as described in the request. Without limiting the generality of Section 7.1 hereof, the foregoing provisions shall not be applicable to Fee Owners or its affiliates or designees or to Builders (to the extent provided in Article 10 hereof).

**Section 12. Commercial Vehicles, Trucks, Trailers, Campers and Boats.** No trucks (other than those of a type, if any, expressly permitted by the Association) or commercial vehicles, or campers, mobile homes, motorhomes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or horse vans, shall be permitted to be parked or to be stored at any place on The Properties, nor in dedicated areas, except in (i) enclosed garages or (ii) spaces for some or all of the above specifically designated by Fee Owners or the Association, if any. For purposes of this Section, "commercial vehicles" shall mean those which are not designed and used for customary, personal/family purposes. The absence of commercial-type

lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle. The prohibitions on parking contained in this Section shall not apply to temporary parking of trucks and commercial vehicles, such as for construction use or providing pick-up and delivery and other commercial services, nor to passenger-type vans with windows for personal use which are in acceptable condition in the sole opinion of the Board (which favorable opinion may be changed at any time), nor to any vehicles of Fee Owners or its affiliates. All Owners and other occupants of Units are advised to consult with the Association prior to purchasing, or bringing onto The Properties, any type of vehicle other than a passenger car inasmuch as such other type of vehicle may not be permitted to be kept within The Properties. Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

**Section 13. Parking on Common Areas and Lots/Garages.** No vehicles of any type shall be parked on any portion of the Common Areas (including roadways) except to the extent, if at all, a portion(s) of the Common Areas is specifically designated for such purposes. All Owners and Members Permittees shall use at least one (1) space in their respective garages for the parking of a vehicle. In the event that such a party keeps a boat on a trailer (or some other vehicle or trailer) in the party's garage, the other space shall still be used for vehicular parking. Garage doors shall be kept closed at all times except when in actual use and during reasonably limited periods when the garage is being cleaned or other activities are being conducted therefrom which reasonably require the doors to be left open. No parking shall be permitted on any portion of a Lot except its driveway and garage.

**Section 14. Garbage and Trash Disposal.** No garbage, refuse, trash or rubbish (including materials for recycling) shall be placed outside of a Unit except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company or association for disposal or collection of waste shall be followed. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within 12 hours of collection. In the event that an Owner or occupant of a Lot keeps containers for recyclable materials thereon, same shall be deemed to be refuse containers for the purposes of this Section.

**Section 15. Fences, Walls and Hedges.** No fence, wall or other structure shall be erected on any Lot, and no hedge shall be planted, except as originally installed by Fee Owners or its affiliates or approved by the Architectural Control Board. In considering any request for the approval of a fence or wall or a hedge or other landscaping, the Architectural Control Board shall give due consideration to the possibility of same obstructing the view from any adjoining Lot or Common Area and may condition its approval on the hedge or other landscaping being kept to a specific height. All persons are advised that many fences and walls may be prohibited altogether or, if approved, may be subject to stringent standards and requirements.

Section 16. No Drying. No clothing, laundry or wash shall be aired or dried on any portion of The Properties except on a portion of a Lot which is completely screened from the view of all persons other than those on the Lot itself.

Section 17. Lakefront Property. As to all portions of The Properties which have a boundary contiguous to any lake or other body of water, the following additional restrictions and requirements shall be applicable:

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

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

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

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

(e) No landscaping (other than that initially installed or approved by Fee Owners), 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.

Section 18. Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Control Board for energy conservation purposes.

Section 19. Exterior Antennas. No exterior antennas, satellite dishes or similar equipment shall be permitted on any Lot or improvement thereon, except that Fee Owners and its affiliates shall have the right to install and maintain a master cable and television system and the Association may permit antennae and/or dishes which are wholly contained within the Unit.

Section 20. Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the Architectural Control Board and with such Board's approval. Such standards shall be reasonably calculated to maintain the aesthetic integrity of The Properties without making the cost of the aforesaid devices prohibitively expensive.

Section 21. Driveway and Sidewalk Surfaces. No Owner shall install on a Lot, and the Architectural Control Board shall not approve, any sidewalk or driveway which has a surface material and/or color which is different from the materials and colors originally used or approved by the Fee Owners. Further, no Owner shall change any existing sidewalk or driveway in a manner inconsistent with this Section.

Section 22. Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained upon the exterior portion of any Lot without the prior approval of the Architectural Control Board.

Section 23. Access Control; Gatehouse Procedures; Roving Patrols. Gated entry posts may be established and maintained in perpetuity in order to control and restrict access to and from The Properties and to assist the traffic flow through The Properties. The Board of Directors shall determine, in its discretion and from time to time, whether such entry posts shall be staffed, controlled by card access or other comparable system. All Owners shall be responsible for complying with and ensuring that their Members' Permittees and invitees comply with, all procedures adopted for controlling access to and upon The Properties through any gatehouse serving The Properties or any portion thereof as well as Common Area roadways and other portions of the Common Areas, as such procedures and restrictions are adopted and amended from time to time. All Owners and other occupants of Units are advised that any gatehouse staff and system, as well as any roving patrol/ surveillance personnel, serving The Properties are not law enforcement officers and are not intended to supplant same, such persons being engaged, if at all, only for the purpose of monitoring access to The Properties and observing activities therein which are readily apparent by such persons.

Section 24. Variances. The Board of Directors of the Association shall have the right and power to grant variances from the provisions of this Article X and from the Association's rules and regulations for good cause shown, as determined in the reasonable discretion of the Board. No variance granted as aforesaid shall alter, waive or impair the operation or effect of the provisions of this Article X in any instance in which such variance is not granted.

Section 25. Additional Rules and Regulations. The Board may adopt additional rules and regulations of the Association which are incorporated herein by this reference and which, as may be foregone, may be modified, in whole or in part, at any time by the Board without the necessity of recording an amendment hereto or thereto in the public records.

#### ARTICLE XI.

#### RESALE, LEASE AND OCCUPANCY RESTRICTIONS

Section 1. Estoppel Certificate; Documents. No Owner, other than Fee Owners, may sell or convey his interest in any Lot unless all sums due the Association are paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefor. The Owner requesting the certificate may be required by the Association to pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate. Owners shall be obligated to deliver the documents originally received from Fee Owners, containing this and other declarations and documents, to any grantee of such Owner.

**Section 2. Leases.** No portion of a Lot or Unit (other than an entire Lot and Unit) may be rented. All leases shall be in writing and shall provide (or be automatically deemed to provide) that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association and its applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing The Properties or administered by the Association. The leasing of Lots and Units shall also be subject to the prior written approval of the Association, which approval shall not be unreasonably withheld and which shall be deemed given if the Association does not deny approval within fifteen (15) days of its receipt of a request for approval together with a copy of the proposed lease and all supporting information reasonably requested by the Association. Owners wishing to lease their Lots and Units may, if the Board of Directors so elects, be required to place in escrow with the Association a sum of up to \$500.00 which may be used by the Association to repair any damage to the Common Areas or other portions of The Properties resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Association shall not be required to pay or remit any interest on any such escrowed funds. The Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. Any balance remaining in the escrow account, less an administrative charge not to exceed \$50.00 and exclusive of any interest retained by the Association, shall be returned to the Owner within ninety (90) days after the tenant vacates the Unit.

**Section 3. Members' Permittees.** No Lot or Unit shall be occupied by any person other than the Owner(s) thereof or the applicable Members' Permittees and in no event other than as a residence. For purposes of this Declaration, a Member's Permittees shall be the following persons and such persons' families, provided that the Owner or other permitted occupant must reside with his/her family: (i) an individual Owner(s), (ii) an officer, director, stockholder or employee of a corporate owner, (iii) a partner in or employee of a partnership owner, (iv) a fiduciary or beneficiary of an ownership in trust, or (v) occupants named or described in a lease or sublease, but only if approved in accordance with this Declaration. Under no circumstances may more than one family reside in a Unit at one time. In no event shall occupancy (except for temporary occupancy by guests) exceed two (2) persons per bedroom and one (1) person per den (as defined by the Association for the purpose of excluding from such definition living rooms, dining rooms, family rooms, country kitchens and the like). The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this Section shall not be applicable to Units used by Fee Owners or a Builder for model homes, sales offices, management services or otherwise. As used herein, "family" or words of similar import shall be deemed to include a spouse, children, parents, brothers, sisters, grandchildren and other persons permanently cohabiting the Unit as or together with the Owner or permitted occupant thereof. As used herein, "guest" or words of similar import shall include only those persons who have a principal residence other than the Unit. Unless otherwise determined by the Board of Directors of the Association, a person occupying a Unit for more than one (1) month shall not be deemed a guest but, rather, shall be deemed a lessee for purposes of this Declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provisions of this Declaration which apply to leases and lessees. The purpose of this paragraph is to prohibit the circumvention of the provisions and intent of this Article and the Board of Directors of the Association shall enforce, and the Owners comply with, same with due regard for such purpose.



ARTICLE XII

PROVISOS AS TO BUILDERS

Section 1. Preamble. In light of the benefits accruing to the Fee Owners, Owners and the Association by virtue of the orderly and efficient development of The Properties not only by Fee Owners but also by independent Builders, this Article has been adopted to further such benefits as well as to cause this Declaration to accurately and reasonably reflect the operations and needs of Builders.

Section 2. Voting and Assessments. All Builders shall be Class A Members of the Association and shall have all rights, benefits, duties and obligations pertaining to such class of membership. A Builder shall have one (1) vote for each Lot owned by it and shall pay the same rate of assessment on each such Lot as would any other Class A Member/Owner; provided, however, that (i) in the event that a Builder owns a portion of The Properties which has not been platted or otherwise subdivided into Lots, such property shall, for purposes of this Declaration, be deemed to contain such number of Lots as is provided in the Supplemental Declaration subjecting the Builder's portion of The Properties to this Declaration (absent which the property shall be deemed to contain the number of Lots permitted to be located thereon by applicable land use ordinances or approvals) and (ii) Builder shall only be obligated for the payment of assessments on the Lots owned thereby for which improvements have been constructed thereon and received a certificate of occupancy, said assessment obligation to commence as to such improved Lot on the first day of the month following the issuance of the applicable certificate of occupancy.

Section 3. Exemption from Architectural Control. For purposes of the exemption of Fee Owners and its designees as set forth in Article X hereof, a Builder shall be deemed a designee of Fee Owners and therefore exempt from architectural review/approval requirements if, but only if, the Builder is subject to deed or contractual restrictions imposed by the Fee Owners which govern matters such as plan approval and construction activities. The foregoing exemption shall not, however, apply once the Builder has completed a Unit on a Lot and has received Fee Owners' final approval thereof, the purpose hereof being to require the Architectural Control Board's approval of any alterations of such construction once same are completed.

Section 4. Use Restrictions. In addition to the architectural control exemptions set forth in the immediately preceding Section, no Builder shall be deemed to be in violation of any of the other restrictions or requirements of Article X of this Declaration by virtue of any activities which are normally and customarily associated with the construction of Units (or the development of land therefor) of the number, nature and type being constructed/developed by the Builder, including, without limitation, the construction and operation of a temporary sales office and/or model homes and the erection of signage. Notwithstanding the foregoing, no Builder may make any installations which, once installed, would constitute a violation of Article X of this Declaration. By way of example only, the privileges granted to Builders hereunder may not extend to permit the installation of prohibited gas tanks, obstructions of visibility at intersections, window-mounted air conditioning units, exterior antennas or artificial vegetation.

**ARTICLE XIII**

**MORTGAGEE PROTECTION**

Section 1. 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 By-Laws 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) 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.

(f) Unless at least 66-2/3% of first Mortgagees (based upon one 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 Declarant 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;

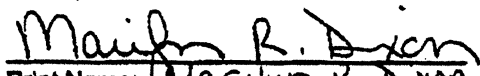
(iii) by act or omission, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of The Properties;

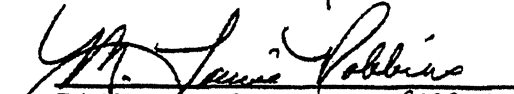
(iv) fail to maintain fire and extended insurance on insurable portions of the Common Areas as provided herein; or

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


IN WITNESS WHEREOF, Durham and the Master Association have executed this Fourth Amendment to Declaration this 15th day of March, 2002.

Signed, sealed and delivered  
in the presence of:

  
Print Name: Marilyn R. Dixon

  
Print Name: M. LOUISE ROBBINS

DURHAM-FLORIDA PROPERTIES, LLC  
a Florida limited liability company

By:   
Charles D. Robbins  
Sole Member

State of Florida )  
 )SS  
County of Miami-Dade )

BEFORE ME, the undersigned authority, personally appeared this 15th day of March, 2002, Charles D. Robbins, Sole Member of DURHAM-FLORIDA PROPERTIES, LLC, a Florida limited liability company, and he acknowledged to and before me that he executed the same on behalf of said limited liability company. He is personally known to me.

Marilyn R. Dixon  
Notary Public

My Commission Expires: 

LAGUNA MASTER ASSOCIATION, INC.  
a Florida not for profit corporation

Marilyn R. Dixon  
Print Name: Marilyn R. Dixon

By: Charles D. Robbins  
Charles D. Robbins  
President

Charles D. Robbins  
Print Name: CHARLES D. ROBBINS

State of Florida )  
 )SS  
County of Miami-Dade )

BEFORE ME, the undersigned authority, personally appeared this 15th day of March, 2002, Charles D. Robbins, as President of LAGUNA MASTER ASSOCIATION, INC., a Florida not for profit corporation, and he acknowledged to and before me that he executed the same on behalf of said corporation. He is personally known to me.

Marilyn R. Dixon  
Notary Public

My Commission Expires:

H:\LIB\Robbins\CDRD F PM\AmdmtDecCovRst.wpd

OFFICIAL NOTARY SEAL  
MARILYN R DIXON  
NOTARY PUBLIC STATE OF FLORIDA  
COMMISSION NO. CC936056  
MY COMMISSION EXP. MAY 11, 2004



Prepared by and return to:  
David Webber  
1860 Old Okeechobee Road  
Suite 503  
West Palm Beach, FL 33409

05/14/2003 11:40:10 20030277749  
DR BK 15222 PB 0001  
Palm Beach County, Florida

**FIFTH AMENDMENT TO  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR THE LAKES OF LAGUNA**

THIS FIFTH AMENDMENT to Declaration of Covenants and Restrictions for the Lakes of Laguna is made this 12th day of May, 2003 by Westbrooke Companies, Inc., a Delaware corporation ("Westbrooke") and Laguna Master Association, Inc., a Florida non-profit corporation.

WHEREAS, pursuant to Article IX, Section 5 of that certain Declaration of Covenants and Restrictions for the Lakes of Laguna recorded in Official Records Book 9770, At Page 849 of the Public Records of Palm Beach County, Florida, as amended by First Amendment of Covenants and Restrictions for The Lakes of Laguna dated January 31, 2001, recorded in Official Records Book 12289, at Page 550, as further amended by Second Amendment of Covenants and Restrictions for The Lakes of Laguna dated April 12, 2001, recorded in Official Records Book 12455, at Page 220, as further amended by Third Amendment of Covenants and Restrictions for The Lakes of Laguna dated March 15, 2002, recorded in Official Records Book 13616, at Page 994, as further amended by Fourth Amendment of Covenants and Restrictions for The Lakes of Laguna dated March 15, 2002, recorded in Official Records Book 13616, at Page 1025 (collectively the "Declaration"), the Fee Owners (as defined in the Declaration) have the right to unilaterally amend the Declaration; and

WHEREAS, the rights of the Fee Owners have been assigned to Westbrooke pursuant to \_\_\_\_\_; and

WHEREAS, Westbrooke deems it in the best interest of the Master Association and all The Properties, as defined in and subject to, the Declaration that certain amendments to the Declaration (as set out below) be made, and the Master Association concurs.

NOW THEREFORE, in consideration of the foregoing premises the Declaration is hereby amended as follows:

1. The owners of the tracts legally described in Exhibit "A" hereto ("Tracts C, D, I and K") shall be responsible only for the payment of impositions and assessments by the Master Association as specifically set forth in Article V, Section 6 of that certain Neighborhood Covenants for Laguna II Neighborhood Association, Inc., recorded in Official Records Book 13321, at Page 956 of the Public Records of Palm Beach County, Florida, as amended to date.

2. Except as set forth herein, the owners of Tracts C and D and I and K, and Tracts C, D, I and K are hereby excluded and excepted from any and all other obligations, duties, requirements, covenants or restrictions set forth in the Declaration and imposed upon or otherwise affecting such owners or arising by virtue of the fact that Tracts C, D, I and K are properties nominally subject to the Declaration, the Master Associations' Articles of Incorporation and By-Laws, as such documents may be amended from time to time.

3. The foregoing provisions shall not be amended without the written consent of the owners of Tracts C, D, I and K and the holders of any institutional mortgage on such Tracts as of the date of the amendment.

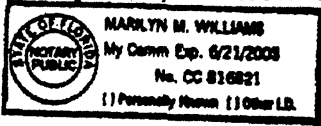
IN WITNESS WHEREOF, Westbrooke and the Master Association have executed this Fifth Amendment to Declaration this 12<sup>TH</sup> day of May, 2003.

WESTBROOKE COMPANIES, INC.,  
a Delaware corporation

By: *David F. Webber*  
Print Name: DAVID F. WEBBER  
Its: SR. VICE PRESIDENT

State of Florida )  
 )  
County of Palm Beach )

BEFORE ME, the undersigned authority, personally appeared this 12<sup>TH</sup> day of May, 2003, David Webber, Sr. Vice President of Westbrooke Companies, Inc., a Delaware corporation, and he acknowledged to and before me that he executed the same on behalf of said corporation. He is personally known to me or has produced \_\_\_\_\_ as identification.

*Marlyn M. Williams*  
Notary Public, State of Florida  


My Commission Expires:

LAGUNA MASTER ASSOCIATION,  
INC.,  
a Florida non-profit corporation

By: *David F. Webber*  
Print Name: David F. Webber  
Its: Vice President

State of Florida     )  
                              )  
County of Palm Beach)

BEFORE ME, the undersigned authority, personally appeared this 12<sup>TH</sup> day of May, 2003, David F. Webber, Vice President of Laguna Master Association, Inc., a Florida non-profit corporation, and he acknowledged to and before me that he executed the same on behalf of said corporation. He is personally known to me or has produced \_\_\_\_\_ as identification.

*Marilyn M. Williams*  
Notary Public, State of Florida

My Commission Expires:

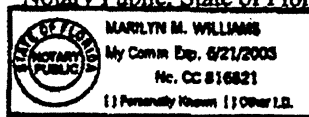


Exhibit "A"

Windsor at Palm Beach Lakes Plat 2, (Tracts "C" and "D") as recorded in Plat Book 96, pages 124-125, Public Records of Palm Beach County, Florida.

San Marino at Bear Lakes (Tracts "I" and "K") as recorded in Plat Book 92, pages 44-46, Public Records of Palm Beach County, Florida.



02/27/2001

16:13

KATZ BARRON → 3053735836

02/27/2001

02-01-2001 10:29AM FROM: BARRON

BOOK 15222 PAGE 0005

EXHIBIT "A"  
PAGE 1 OF 3

ORB 12320 Pg 172

LEGAL DESCRIPTION  
PARCEL "K"


A PARCEL OF LAND LYING IN SECTION 12, TOWNSHIP 43 SOUTH, RANGE 42 EAST, CITY OF WEST PALM BEACH, PALM BEACH COUNTY, FLORIDA, SAID PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 54, PAGE 36, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1, SAID POINT BEING A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AS RECORDED IN OFFICIAL RECORD BOOK 4817, PAGE 1242, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE NORTH 01°56'43" EAST ALONG THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 61.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE HEREIN DESCRIBED; THENCE CONTINUE NORTH 01°56'43" WEST, ALONG THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 1994.93 FEET; THENCE NORTH 48°58'43" EAST, A DISTANCE OF 42.43 FEET; THENCE SOUTH 89°03'17" EAST, A DISTANCE OF 204.07 FEET; THENCE SOUTH 01°56'42" WEST, A DISTANCE OF 23.33 FEET; THENCE SOUTH 43°03'18" EAST, A DISTANCE OF 36.52 FEET TO A POINT ON A CURVE CONCAVE TO THE NORTHEAST AND WHOSE CHORD BEARS SOUTH 33°21'26" EAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 85°37'03" AND A RADIUS OF 150.00 FEET, A DISTANCE OF 171.79 FEET; THENCE SOUTH 01°40'48" WEST, A DISTANCE OF 564.35 FEET; THENCE SOUTH 61°46'42" WEST, A DISTANCE OF 35.86 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 84°28'44" AND A RADIUS OF 80.00 FEET, A DISTANCE OF 82.45 FEET; THENCE SOUTH 32°42'02" EAST, A DISTANCE OF 51.87 FEET; THENCE SOUTH 20°37'47" EAST, A DISTANCE OF 19.28 FEET; THENCE SOUTH 12°50'11" EAST, A DISTANCE OF 48.55 FEET; THENCE SOUTH 23°34'42" EAST, A DISTANCE OF 105.86 FEET; THENCE SOUTH 18°22'48" EAST, A DISTANCE OF 40.47 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 63°05'06" AND A RADIUS OF 225.00 FEET, A DISTANCE OF 247.73 FEET; THENCE SOUTH 78°27'84" EAST, A DISTANCE OF 108.22 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 26°01'29" AND A RADIUS OF 50.00 FEET, A DISTANCE OF 22.71 FEET; THENCE SOUTH 52°26'26" EAST, A DISTANCE OF 24.41 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 53°29'34" AND A RADIUS OF 60.00 FEET, A DISTANCE OF 56.02 FEET; THENCE NORTH 74°04'01" EAST, A DISTANCE OF 11.26 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 72°23'13" AND A RADIUS OF 20.00 FEET, A DISTANCE OF 26.27 FEET; THENCE SOUTH 01°40'48" WEST, A DISTANCE OF 240.16 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 46.25 FEET; THENCE SOUTH 01°40'48" WEST, A DISTANCE OF 222.58 FEET TO A POINT ON A LINE 61.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID BRIGER TRACT PLAT NO. 1; THENCE NORTH 88°19'12" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 771.81 FEET TO THE POINT OF BEGINNING AFORE DESCRIBED.

CONTAINING 18.925 ACRES MORE OR LESS.

*Lead out  
DOT parcel*

SKETCH ONLY NOT A BOUNDARY SURVEY

	Landmark Surveying & Mapping Inc. 1850 FOREST HILL BOULEVARD, SUITE 100 WEST PALM BEACH, FL 33408 PHONE: (561) 433-8408 LD 2470			SKETCH OF TRACT "K" BRIGER TRACT PLAT NO. 1	
	FILED N/A	DRAWN J.E.S.	SCALE N/A		
	DATE N/A	BYD 1/28/01	FILED FILE 5509		
FILED N/A	DRAWN JTS	DATE FILE 5509	SHEET NO 5 OF 7	JOB NO. 00-2509	

02/27/2001

16:13

KATZ BARRON → 3053736836

NO. 818 0005

02-01-2001

10:20AM

FROM-SURVIVAN

EXHIBIT "A"

PAGE 2 OF 3

BOOK 15222 PAGE 0006

LESS:

PROPOSED D.O.T. RETENTION POND

DRB 12320 Pg 173

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN SECTION 12, TOWNSHIP 43 SOUTH, RANGE 42 EAST, CITY OF WEST PALM BEACH, PALM BEACH COUNTY, FLORIDA. SAID PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 54, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1. SAID POINT BEING A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AS RECORDED IN OFFICIAL RECORD BOOK 4617, PAGE 1242, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE NORTH 01°56'43" EAST ALONG THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 61.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE HEREIN DESCRIBED; THENCE SOUTH 88°19'12" EAST, A DISTANCE OF 33.12 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 88°23'44" AND A RADIUS OF 48.00 FEET, A DISTANCE OF 74.05 FEET; THENCE NORTH 03°17'04" EAST, A DISTANCE OF 72.25 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 91°36'16" AND A RADIUS OF 40.00 FEET, A DISTANCE OF 63.95 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 79.03 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 93°04'22" AND A RADIUS OF 70.00 FEET, A DISTANCE OF 113.71 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 36°02'03" AND A RADIUS OF 59.00 FEET, A DISTANCE OF 37.11 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 19°53'22" AND A RADIUS OF 256.00 FEET, A DISTANCE OF 66.87 FEET; THENCE NORTH 11°23'31" WEST, A DISTANCE OF 40.05 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 89°14'21" AND A RADIUS OF 15.00 FEET, A DISTANCE OF 23.36 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTH; THENCE WESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 24°21'31" AND A RADIUS OF 103.00 FEET, A DISTANCE OF 43.79 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 89°24'50" AND A RADIUS OF 30.00 FEET, A DISTANCE OF 31.11 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 42°22'06" AND A RADIUS OF 66.00 FEET, A DISTANCE OF 50.28 FEET; THENCE SOUTH 01°56'43" WEST, A DISTANCE OF 285.53 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 42°04'38" AND A RADIUS OF 60.00 FEET, A DISTANCE OF 44.06 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 45.46 FEET TO A POINT ON SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AND SAID WEST LINE OF BRIGER TRACT PLAT NO. 1; THENCE SOUTH 01°56'43" WEST ALONG SAID LINE, A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING AFORE DESCRIBED.

CONTAINING 2.06 ACRES MORE OR LESS.

SKETCH ONLY NOT A BOUNDARY SURVEY

	<b>Landmark Surveying &amp; Mapping Inc.</b> 1800 FOREST HILL BOULEVARD, SUITE 100 WEST PALM BEACH, FL 33408 PHONE: (561) 833-8409 LA 10200			<b>DESCRIPTION OF PROPOSED D.O.T. RETENTION POND BRIGER TRACT PLAT NO. 1</b>
	FIELD N/A	DATE J.E.S.	SOLD N/A	
	BOOK N/A	DATE 1/26/01	PLAT PAGE 0006	
FILE N/A	CHECKED JTS	DRAWN 0009	SHEET NO. 7 OF 7	JOB NO. 00-2609

02/27/2001 16:13

KATZ BARRON + 3053736036

10 010 0795

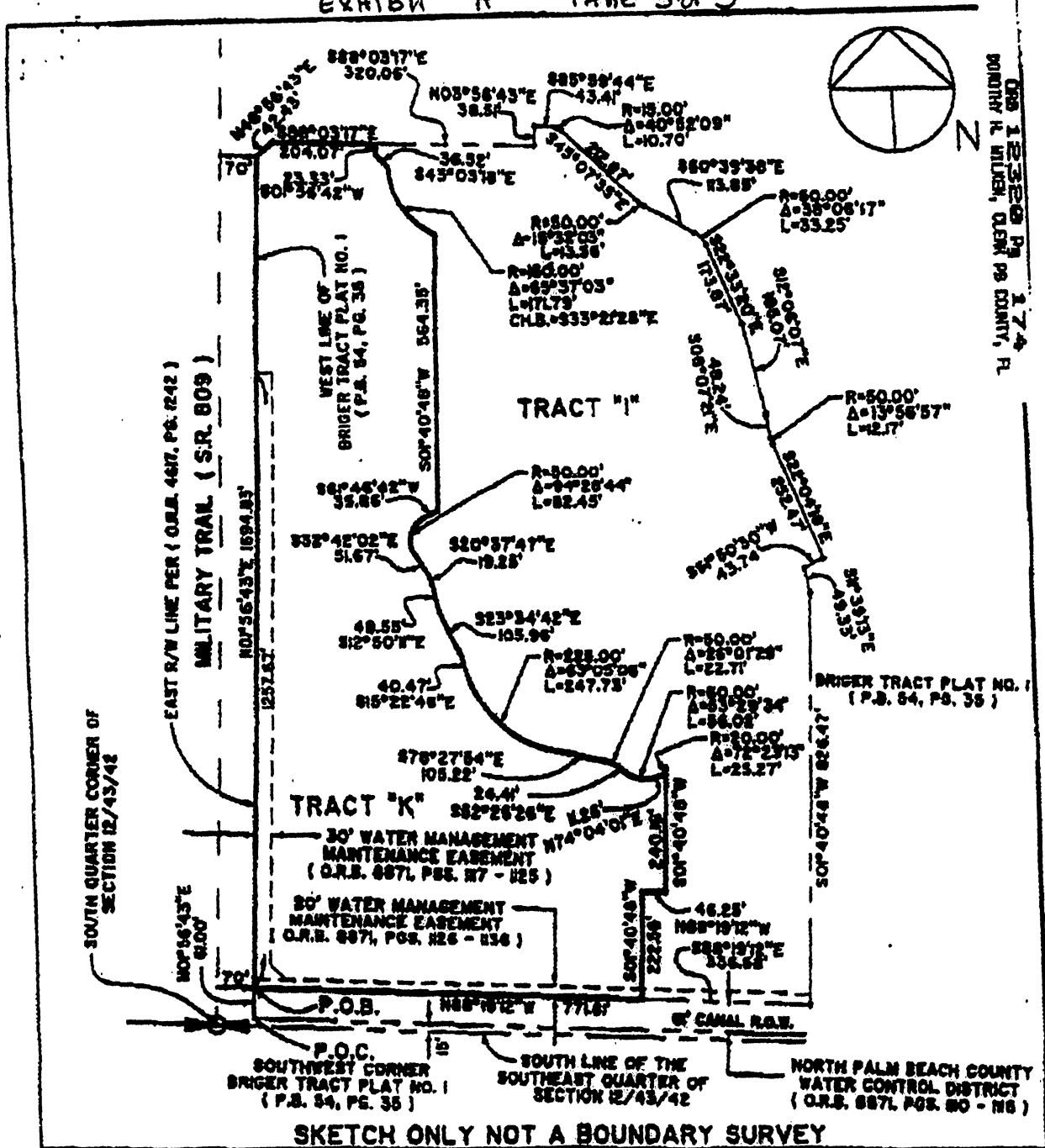
02-01-2001 10:28AM

FROM: SURVEYOR

EXHIBIT "A"

BOOK 15222 PAGE 3073

PAGE 0007



088 1 22 35 28 PM 1 7 4  
SOUTH PALM BEACH COUNTY, FL

	Landmark Surveying & Mapping Inc. 1000 FOREST HILL BOULEVARD, SUITE 100 WEST PALM BEACH, FL 33406 PHONE (561) 833-8000 L.S. 2504			<b>SKETCH OF TRACT "K" BRIGER TRACT PLAT NO. 1</b>	
	FILED: N/A	DRAWN: J.S.S.	SCALE: 1" = 250'	SHEET NO. 6 OF 7	JOB NO. 00-2509
	DATE: N/A	DATE: 1/26/01	PROJ. FILE: 2509		
PLAT: N/A	CHECKED: JTG	DATE: 2/26/01			

**EXHIBIT "A"**

**PROPOSED D.O.T. RETENTION POND**

DRS 12320 P. 182  
DOROTHY H. WILKIN, CLERK, PB COUNTY, FL

**LEGAL DESCRIPTION**

A PARCEL OF LAND LYING IN SECTION 12, TOWNSHIP 43 SOUTH, RANGE 42 EAST, CITY OF WEST PALM BEACH, PALM BEACH COUNTY, FLORIDA, SAID PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 54, PAGE 35, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1, SAID POINT BEING A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AS RECORDED IN OFFICIAL RECORD BOOK 4817, PAGE 1242, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE NORTH 01°56'43" EAST ALONG THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 81.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE HEREIN DESCRIBED; THENCE SOUTH 88°19'12" EAST, A DISTANCE OF 331.12 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 88°23'44" AND A RADIUS OF 48.00 FEET, A DISTANCE OF 74.05 FEET; THENCE NORTH 03°17'04" EAST, A DISTANCE OF 72.25 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 91°36'16" AND A RADIUS OF 40.00 FEET, A DISTANCE OF 83.95 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 79.03 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 83°04'22" AND A RADIUS OF 70.00 FEET, A DISTANCE OF 113.71 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 36°02'03" AND A RADIUS OF 89.00 FEET, A DISTANCE OF 37.11 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 19°53'22" AND A RADIUS OF 256.00 FEET, A DISTANCE OF 88.87 FEET; THENCE NORTH 11°23'31" WEST, A DISTANCE OF 40.05 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 89°14'21" AND A RADIUS OF 15.00 FEET, A DISTANCE OF 23.36 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTH; THENCE WESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 24°21'31" AND A RADIUS OF 103.00 FEET, A DISTANCE OF 43.79 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 59°24'50" AND A RADIUS OF 30.00 FEET, A DISTANCE OF 31.11 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 42°22'06" AND A RADIUS OF 68.00 FEET, A DISTANCE OF 80.28 FEET; THENCE SOUTH 01°56'43" WEST, A DISTANCE OF 265.53 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 42°04'32" AND A RADIUS OF 60.00 FEET, A DISTANCE OF 44.06 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 45.48 FEET TO A POINT ON SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AND SAID WEST LINE OF BRIGER TRACT PLAT NO. 1; THENCE SOUTH 01°56'43" WEST ALONG SAID LINES, A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING AFORE DESCRIBED.

CONTAINING 2.06 ACRES MORE OR LESS.

**SKETCH ONLY NOT A BOUNDARY SURVEY**


	Landmark Surveying & Mapping Inc. 1850 FOREST HILL BOULEVARD, SUITE 100 WEST PALM BEACH, FL 33408 PHONE: (561) 433-9405 LA 24384			<b>DESCRIPTION OF PROPOSED D.O.T. RETENTION POND BRIGER TRACT PLAT NO. 1</b>
	FIELD N/A	DRAWN J.E.S.	SCALE N/A	
	DATE N/A	DATE 1/28/01	PLAT NO. 2509	
FILE N/A	CHECKER J.T.S.	DATE 2/20/01	SHEET NO. 7 OF 7 JOB NO. 00-2509	

EXHIBIT "A"  
Pg 1 of 3

DRB 12320 Pg 177

**LEGAL DESCRIPTION  
PARCEL "1"**

A PARCEL OF LAND LYING IN SECTION 12, TOWNSHIP 43 SOUTH, RANGE 42 EAST, CITY OF WEST PALM BEACH, PALM BEACH COUNTY, FLORIDA, SAID PARCEL OF LAND BEING A PORTION OF BRIGER TRACT PLAT NO. 1, AS RECORDED IN PLAT BOOK 54, PAGE 38, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID BRIGER TRACT PLAT NO. 1, SAID POINT BEING A POINT ON THE EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL AS RECORDED IN OFFICIAL RECORD BOOK 4617, PAGE 1242, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE NORTH 0°56'43" EAST ALONG THE WEST LINE OF SAID BRIGER TRACT PLAT NO. 1 AND SAID EAST RIGHT-OF-WAY LINE OF MILITARY TRAIL, A DISTANCE OF 61.00 FEET; THENCE SOUTH 88°19'12" EAST ALONG A LINE 61.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID BRIGER TRACT PLAT NO. 1, A DISTANCE OF 771.81 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE HEREIN DESCRIBED; THENCE CONTINUE SOUTH 88°19'12" EAST, A DISTANCE OF 336.58 FEET; THENCE NORTH 0°40'48" EAST, A DISTANCE OF 826.47 FEET; THENCE NORTH 11°39'13" WEST, A DISTANCE OF 49.33 FEET; THENCE NORTH 61°50'30" EAST, A DISTANCE OF 43.74 FEET; THENCE NORTH 22°04'18" WEST, A DISTANCE OF 252.47 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 13°56'57" AND A RADIUS OF 50.00 FEET, A DISTANCE OF 12.17 FEET; THENCE NORTH 08°07'21" WEST, A DISTANCE OF 48.24 FEET; THENCE NORTH 12°06'07" WEST, A DISTANCE OF 185.07 FEET; THENCE NORTH 28°33'20" WEST, A DISTANCE OF 173.87 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, HAVING A CENTRAL ANGLE OF 38°08'17" AND A RADIUS OF 50.00, A DISTANCE OF 33.25 FEET; THENCE NORTH 60°39'38" WEST, A DISTANCE OF 113.65 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 18°32'03" AND A RADIUS OF 50.00 FEET, A DISTANCE OF 13.56 FEET; THENCE NORTH 48°07'38" WEST, A DISTANCE OF 212.87 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 40°52'09" AND A RADIUS OF 15.00 FEET, A DISTANCE OF 10.70 FEET;

**SKETCH ONLY NOT A BOUNDARY SURVEY**

	<b>Landmark Surveying &amp; Mapping Inc.</b> 1650 FOREST HILL, BRALCHARD, SUITE 100 WEST PALM BEACH, FL 33406 PHONE: (561) 433-8406 IS 41399			<b>SKETCH OF TRACT "1" BRIGER TRACT PLAT NO. 1</b>	
	DATE: N/A	DRAWN: J.B.S.	SCALE: N/A		
	DATE: N/A	DATE: 1/16/01	MAP FILE: 2509		
DATE: N/A	DRAWN: JTB	DRAWN: 2509	SHEET NO. 1 OF 7	JOB NO. 00-2509	

02/27/2001

16:13

KATZ BARRON + 3853736836

NO. 618 0018

BOOK 15222 PAGE 0010

02-01-2001

10:28AM

FROM SURVEY


DRB 12320 Pg 178

EXHIBIT "A"  
Pg 2 of 3

THENCE NORTH 85°59'44" WEST, A DISTANCE OF 43.41 FEET; THENCE SOUTH 03°58'43" WEST, A DISTANCE OF 38.51 FEET; THENCE NORTH 86°13'17" WEST, A DISTANCE OF 320.06 FEET; THENCE SOUTH 0°56'42" WEST, A DISTANCE OF 23.33 FEET; THENCE SOUTH 43°03'18" EAST, A DISTANCE OF 36.82 FEET TO A POINT ON A CURVE CONCAVE TO THE NORTHEAST AND WHOSE CHORD BEARS SOUTH 33°21'26" EAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 66°37'03" AND A RADIUS OF 150.00 FEET, A DISTANCE OF 171.78 FEET; THENCE SOUTH 0°40'48" WEST, A DISTANCE OF 584.38 FEET; THENCE SOUTH 8°46'42" WEST, A DISTANCE OF 35.88 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 84°28'44" AND A RADIUS OF 50.00 FEET, A DISTANCE OF 82.45 FEET; THENCE SOUTH 32°42'02" EAST, A DISTANCE OF 51.67 FEET; THENCE SOUTH 20°37'47" EAST, A DISTANCE OF 19.25 FEET; THENCE SOUTH 12°50'11" EAST, A DISTANCE OF 46.58 FEET; THENCE SOUTH 23°34'42" EAST, A DISTANCE OF 108.86 FEET; THENCE SOUTH 15°22'48" EAST, A DISTANCE OF 40.47 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 63°05'06" AND A RADIUS OF 225.00 FEET, A DISTANCE OF 247.73 FEET; THENCE SOUTH 78°27'54" EAST, A DISTANCE OF 105.22 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 28°01'29" AND A RADIUS OF 50.00 FEET, A DISTANCE OF 22.71 FEET; THENCE SOUTH 82°28'26" EAST, A DISTANCE OF 24.41 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 53°29'34" AND A RADIUS OF 50.00 FEET, A DISTANCE OF 56.02 FEET; THENCE NORTH 74°04'01" EAST, A DISTANCE OF 112.6 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE HAVING A CENTRAL ANGLE OF 72°23'15" AND A RADIUS OF 20.00 FEET, A DISTANCE OF 25.27 FEET; THENCE SOUTH 0°40'48" WEST, A DISTANCE OF 240.16 FEET; THENCE NORTH 88°19'12" WEST, A DISTANCE OF 46.25 FEET; THENCE SOUTH 0°40'48" WEST, A DISTANCE OF 222.58 FEET TO THE POINT OF BEGINNING AFORE DESCRIBED.

CONTAINING 21.961 ACRES MORE OR LESS.

SKETCH ONLY NOT A BOUNDARY SURVEY

	<b>Landmark Surveying &amp; Mapping Inc.</b> 1850 FOREST HILL BOULEVARD, SUITE 100 WEST PALM BEACH, FL 33409 PHONE: (561) 433-5408 FAX: (561) 433-5408			<b>SKETCH OF TRACT "I" BRIGER TRACT PLAT NO. 1</b>
	FILED N/A	DRAWN J.S.S.	DATE N/A	
	DATE N/A	DATE 1/28/01	FILED FILE 2509	
FILED N/A	CHECKED JTB	DATE FILE 2509	SHEET NO. 3 OF 7	JOB NO. 00-2509







**NEIGHBORHOOD ASSOCIATION  
DOCUMENTS**



01/17/2002 14:00:38 20020031197  
OR BK 13321 PG 0956  
Palm Beach County, Florida

Prepared By and Return To:  
Charles D. Robbins, Esq.  
Charles D. Robbins, P.A.  
5214 La Gorce Drive,  
Miami Beach, FL 33140

**NEIGHBORHOOD COVENANTS**

**FOR**

**LAGUNA II NEIGHBORHOOD ASSOCIATION, INC.**

**THIS DECLARATION** is made this 21st day of December, 2001, by DURHAM-FLORIDA PROPERTIES, LLC, a Florida limited liability company, ("Declarant"), WINDSOR FLORIDA PROPERTIES II, LLC, a Florida limited liability company, and WINDSOR FLORIDA PROPERTIES III, LLC, a Florida limited liability company, BEAR LAKES ACQUISITION, LTD., a Florida limited partnership, and BEAR LAKES ASSOCIATES, LTD., a Florida limited partnership, joined by the LAGUNA MASTER ASSOCIATION, INC., a Florida not for profit corporation, which declare hereby that "The Properties" described in Article II of this Declaration are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

**ARTICLE I**

**DEFINITIONS**

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to LAGUNA II NEIGHBORHOOD ASSOCIATION, INC., a Florida corporation not for profit, being a "Neighborhood Association" under the Master Association Covenants (as hereinafter defined). Copies of the Articles of Incorporation and By-Laws of the Association are attached hereto as Exhibits "A" and "B".

(b) "Briger PCD" shall mean that certain property legally described in Exhibit C hereto.

(c) "Common Areas" shall mean and refer to the those portions of The Properties which are declared to be Common Areas in this Declaration or in the recorded plats of the Properties for this Association, plus the following described properties: the Main Entry Road, the Main Entry Road Feature, the turn lane into Windsor Way from Military Trail (if not conveyed as a public right of way), together with the landscaping and any improvements thereon, including, without limitation, all structures and appurtenant equipment, open space, private roadways, walkways, sprinkler systems and street lights, if any, but excluding any public utility installations thereon and any other property of either Declarant not intended to be made Common Areas. Maintenance of only a part of the Main

Entry Road is the primary obligation of the Association as provided in Section 3 of Article IV of the Declaration.

(d) "Declarant" shall mean and refer to Durham-Florida Properties, LLC, a Florida limited liability company, its successors and such of its assigns as to which the rights of Declarant hereunder are specifically assigned. Declarant may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of The Properties. In the event of such a partial assignment, the assignee shall not be deemed the Declarant, but may exercise such rights of Declarant specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

(e) "Main Entry Road" shall mean Windsor Way as presently delineated on the Plat of Windsor at Palm Beach Lakes recorded in Plat Book 89 at Page 117 of the Public Records of Palm Beach County, Florida, or alternatively as it may be re-platted as shown on Exhibit D.

(f) "Main Entry Feature" shall mean Main Entry Road landscaping, signage and berming. Signage is included in the shared costs to the extent it identifies the Briger PCD in general as opposed to signage that only identifies a portion of the PCD. The Main Entry Feature is contemplated as an area of concentrated berming, landscape, wall features, signage and lighting on either side of the entry road running east from Military Trail and opposite Willow Pond Road. Ordinary berming along the boundaries of said Road (as opposed to a concentrated area) are, however, not included for purposes of shared costs.

(g) "Master Association" shall mean and refer to the Laguna Master Association, Inc., a Florida corporation not for profit, having responsibility for certain community-wide aspects of the operation of the overall "Lakes of Laguna" community described in the Master Association Covenants.

(h) "Master Association Covenants" shall mean and refer to the DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE LAKES AT LAGUNA, recorded April 30, 1997 in Official Records Book 9770, Page 849 of the Public Records of Palm Beach County, Florida, and, unless the context prohibits, the Articles of Incorporation, By-Laws and Rules and Regulations of the Master Association, all as now or hereafter further amended, modified or supplemented.

(i) "Landscaping and Pedestrian Areas" shall mean and refer to those areas defined in the Master Association Covenants, to which specific provisions this Declaration and the Common Areas are hereby made subject.

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

(k) "Member's Permittee" shall mean and refer to a person described in Article IV, Section 1 hereof.

(l) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Parcel.

(m) "Parcel" or "Parcels" shall mean Tract C and Tract D of the plat of Windsor at Palm Beach Lakes recorded in Plat Book 89 at Page 117 of the Public Records of Palm Beach,

Florida, and Tract I and Tract K of the plat of San Marino at Bear Lakes, recorded in Plat Book 92 at Page 44 of the Public Records of Palm Beach County, Florida, individually or collectively.

(n) "Residential Lot" shall have the same meaning as set forth in the Master Declaration and in the case of a condominium or a residential apartment building made subject to this Declaration, the "Residential Lots" therein shall be the individual condominium or rental units thereof and not the Parcels.

ARTICLE II

**PROPERTY SUBJECT TO THIS DECLARATION;  
ADDITIONS THERETO**

**Section 1. Legal Description.** The real property which, initially, is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Palm Beach County, Florida, are the four Parcels defined in Article I, Section (m) and the Main Entry Road defined in Article I, Section (e) ("The Properties").

ARTICLE III

**MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION**

**Section 1. Membership.** Every person or entity who is a record Owner of a fee or undivided fee interest in any Parcel shall be a Member of the Association. Notwithstanding anything else to the contrary set forth in this Section 1, any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member of the Association.

**Section 2. Voting Rights.**

(a) The Owner(s) of each Parcel shall be entitled to the number of votes equal to the number of Residential Lots allowed for such Parcel pursuant to site plan approval by the City of West Palm Beach.

(b) Section 3 of Article III of the Master Declaration provides for certain voting rights in the Master Association for the Voting District Member or Neighborhood Association Voting Member. Notwithstanding the provisions of said Article III Section 3 of the Master Declaration, no Parcel Owner or Voting Member for the Association shall have the right to vote on any matters of the Master Association other than matters affecting the Parcel Owners such as obligations contained in Sections 5 and 6 of Article V and Article IV, Section 3 of this Declaration. Voting for Board of Directors of the Master Association shall not be deemed to be a matter affecting the Parcel Owner.

ARTICLE IV

**COMMON AREAS: CERTAIN EASEMENTS**

**Section 1. Members' Easements.** Each Member, and each Member's tenants, agents and invitees ("Member's Permittees") shall have a non-exclusive permanent and perpetual easement

over and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members and Members Permittees, in such manner as may be regulated by the Association.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(a) Easements over and upon the Common Areas in favor of the Master Association; provided, however, that this subsection shall not, in itself, be deemed to grant any easements or use rights which are not specifically granted elsewhere herein or in any other document to which The Properties are now or hereafter subject.

(b) The right and duty of the Association to levy assessments against each Parcel for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of The Properties from time to time recorded.

(c) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(d) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to all Members' Permittees, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

(e) The right of the Association to have, grant and use general ("blanket") and specific easements over, under and through the Common Areas.

(f) Subject to each Parcel Owner's rights under Article X, Section 5 hereof, the right of the Association, by a 2/3rds affirmative vote of the membership, to dedicate or convey portions of the Common Areas to the Master Association, or any public or quasi-public agency, community development district or similar entity under such terms as the Association deems appropriate and to create (subject to Master Association approval) or contract with the Master Association, other associations, community development and special taxing districts for lighting, roads, recreational or other services, security, or communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds, to their Parcels, shall be deemed to have consented, no consent of any other party, except the Declarant, being necessary).

**Section 2. Easements Appurtenant.** The easements provided in Section 1 shall be appurtenant to and shall pass with the title to each Parcel, but shall not be deemed to grant or convey any ownership interest in the Common Area subject thereto.

**Section 3. Maintenance.**

(a) The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Areas and, to the extent not otherwise provided for, the paving, drainage structures, landscaping improvements and other

structures (except public utilities, to the extent same have not been made Common Areas) situated on the Common Areas, if any, all such work to be done as ordered by the Board of Directors of the Association. The Association shall be responsible for paying the cost of cutting, irrigation, fertilization, pest control, mulching, and maintenance of landscape lighting of the Common Areas. Maintenance of the aforesaid street lighting fixtures shall include and extend to payment for all electricity consumed in their illumination.

(b) All work pursuant to this Section and all expenses incurred or allocated to the Association pursuant to this Declaration shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith and shall be the primary responsibility of the Association. Upon mutual consent of the Association and the Master Association, the Master Association, on behalf of itself and/or the Association and/or other affected associations, shall have the power to incur, by way of contract the provisions of the Master Association Covenants or otherwise, expenses general to all or applicable portions of the Briger PCD and the Master Association shall then allocate portions of such expenses among the Association and other affected associations based on such formula as may be adopted by the Master Association, or as provided in the Master Association Covenants. The portion so allocated to the Association shall be deemed a general expense (or in the case of charges applicable to only one or more specific Parcels to the exclusion of others, a special expense to be allocated only among the affected Parcels), collectible through assessments (either general or special) against applicable Parcels.

(c) No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Areas or abandonment of the right to use the Common Areas.

(d) The Main Entry Road has or will be dedicated to the Association. However only that part of the Main Entry Road running perpendicular to Military Trail shall be the primary maintenance obligation of the Association. The balance of the Main Entry Road shall be a limited common element and shall be the maintenance obligation of the Owners of Tracts C and D, who shall share in the cost of such maintenance allocated 46.80% to Tract C and 53.20% to Tract D. In the event one of the Owners of Tract C or D performs such reasonable maintenance and the other Owner of Tract D or C fails to pay its proportionate share of such cost, then the Owner performing such work shall have all rights afforded the Association in Article V, Section 9 with respect to lien filing, and foreclosure procedures including interests and late charges in order to collect such costs from the non-paying Owner of Tract D or C. A sketch of such division is attached hereto as Exhibit D. However, the Association shall have the right to correct any maintenance problems thereon and charge the Owners of Tracts C and D for same as a Special Assessment hereunder.

**Section 4. Utility Easements.** Use of the Common Areas for utilities, as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration and said plats.

**Section 5. Public Easements.** Fire, police, health and sanitation, park maintenance and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

**Section 6. Ownership.** The Common Areas are hereby dedicated non-exclusively to the joint and several use, in common, of the Owners of all Parcels that may from time to time constitute part of The Properties and all Member's Permittees and each Owner's tenants, guests and invitees, all as provided and regulated herein or otherwise by the Association and/or the Master Association.

The Common Areas (or appropriate portions thereof) shall, upon the later of completion of the improvements thereon or the date when the last Parcel within The Properties has been conveyed to a purchaser, be conveyed by quit claim deed or plat to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date these covenants are recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Areas (whether or not then conveyed or to be conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of Palm Beach County. It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be (or have been, because the purchase prices of the Parcels have already taken into account their proportionate shares of the values of the Common Area), proportionally assessed against and payable as part of the taxes of the applicable Parcels within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded.

**Section 7. Easements.** Each of the following easements is hereby created in favor of the Association, the Declarant, each Parcel Owner and the other persons designated in the respective subsections below, which shall run with the land and, notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended uses and purposes, and each shall survive the termination of this Declaration.

(a) **Easements for Pedestrian and Vehicular Traffic.** Easements exist for pedestrian traffic over, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist upon the Common Areas and sidewalks within Parcels and abutting roads or streets and be intended for such purpose; and for pedestrian and vehicular traffic and parking over, through, across and upon such portion of the Common Areas as may from time to time be paved and intended for such purposes, same being for the use and benefit of the Owners and the residents of the Property and their guests and invitees, the holders of any mortgage encumbering any Parcel, and any permitted user. However, sidewalks, paths, lanes, and walks within the secured, fenced, bermed or hedged areas of the Parcels are for the use of the residents of the Parcel and no general pedestrian easements shall be deemed to exist therein.

(b) **Perpetual Nonexclusive Easement in Common Facilities.** The Common Areas will be, and the same are hereby declared to be, subject to a perpetual nonexclusive easement in favor of all Owners and residents of the Properties from time to time, and their guests and invitees, for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended.

(c) **Additional Easements.** Subject to the prior approval of the affected Parcel Owner and its mortgagees, the Association, on their behalf and on behalf of all Owners, shall have the right to (i) grant and declare additional easements over, upon, under and/or across the Common Areas in favor of the Owners and residents of the Properties and their guests and invitees, or in favor of any other person, entity, public or quasi-public authority or utility company, or (ii) modify, relocate, abandon or terminate existing easements within or outside of the Properties in favor of the Association or the Owners and residents of the Properties and their guests and invitees or in favor of any Person, public or quasi-public authority, or utility company, as the Declarant or the Association may deem desirable for the proper operation and maintenance of the Properties, or any portion

thereof, or for the health, safety or welfare of the Owners, or for any other reason or purpose. To the extent required, all Owners hereby irrevocably appoint Declarant and/or the Association as their attorney-in-fact for the foregoing purposes.

ARTICLE V

**COVENANT FOR MAINTENANCE ASSESSMENTS**

**Section 1. Creation of the Lien and Personal Obligation for Assessments.** The Parcel Owners, for all Parcels within The Properties, hereby covenants and agrees, and each Owner of any Parcel by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments and charges for the operation of, and for payment of expenses allocated or assessed to or through, the Association and the maintenance, management, operation and insurance of the Common Areas as provided herein, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 4 hereof, special assessments for maintenance as provided in Section 3 hereof and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association, all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Parcels for fines, expenses incurred against particular Parcels and/or Owners to the exclusion of others and other charges against specific Parcels of Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Parcel against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid. Except as provided herein with respect to special assessments which may be imposed on one or more Parcels and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Parcels subject to its jurisdiction equally.

**Section 2. Purpose of Assessments.** The regular assessments levied by the Association shall be used exclusively for the purposes expressed in Section 1 of this Article.

**Section 3. Allocation of Assessments.** Assessments shall be allocated based upon the number of Residential Lots (i.e. residential apartment or condominium units) allowed for such Parcel pursuant to site plan approval by the City of West Palm Beach.

**Section 4. Special Assessments.** In addition to the regular and capital improvement assessments which are or may be levied hereunder, the Association (through the Board of Directors and with the same membership approval as is required for increases in the maximum annual assessment per Section 6, below) shall have the right to levy special assessments against an Owner(s) to the exclusion of other Owners for (i) the repair or replacement of damage to any portion of the Common Areas (including, without limitation, improvements and landscaping thereon) caused by the misuse, negligence or other action or inaction of an Owner or his Member's Permittee(s) or (ii) the costs of work performed by the Association in accordance with Article VI of this Declaration (together with any surcharges collectible thereunder). Any such special assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure



procedures and late charges and interest. Any special assessment levied hereunder shall be due within the time specified by the Board of Directors in the action imposing such assessment.

**Section 5. Capital Improvements.** Funds which, in the aggregate, exceed the lesser of \$5,000 or 10% of the total amount of the current operating budget of the Association in any one fiscal year which are necessary, after the Common Areas are initially developed, for the addition of capital improvements (as distinguished from repairs and maintenance) relating to the Common Areas under the jurisdiction of the Association and which have not previously been collected as reserves or are not otherwise available to the Association (other than by borrowing) shall be levied by the Association as assessments (except as otherwise provided) only upon approval of a majority of the Board of Directors of the Association and upon approval by two-thirds (2/3) favorable vote of the Members of the Association voting at a meeting or by ballot as may be provided in the By-Laws of the Association but only with the written approval of the affected Parcel Owner in the instance that the capital improvement adversely affects the Owner's Parcel. It is the intent of this Section that any capital improvements having a cost of less than the amount provided for above be paid for by regular assessments, with an appropriate adjustment to the budget of the Association and the assessment levied in accordance therewith to be made, if necessary.

**Section 6. Master Association Assessments.** The Parcels shall only be subject to assessments for expenses of the Master Association relating to the following:

(a) The upland adjacent to Tract D along the 15.65 acre lake adjacent to Tract D ("Shared Lake") to the water's edge will be maintained by the Owner of Tract D. The upland adjacent to Tracts I and K along the lakes which are adjacent to Tracts I and K will be maintained by the Owner or Owners of Tracts I and K, respectively. The upland along the other Tracts will be maintained by each bordering Tract or the Master Association without charge to Tracts C, D, I and K.

(b) The cost of maintenance for the Shared Lake and the downstream drainage system from the Shared Lake is to be shared by those parcels within the Briger PCD utilizing the Shared Lake and the downstream drainage system for drainage in proportion to the relative percentages in Exhibit E attached hereto. The Commercial Tract shown on the Briger PCD shall also share in the maintenance and construction of the portion of the drainage system that it utilizes. When completed the lakes and drainage structures to be constructed shall be consistent with the Master Permit conceptual approval previously granted by SFWMD for the lake system. The cost of maintaining any additional lakes lying within the boundaries of a Tract shall be allocated 100% to the benefitting Tract.

(c) None of the Parcels shall be responsible for the costs of or assessments for the 8.032 acre park in the northeast corner of the Briger PCD or any other recreational facilities outside of the Parcels and no residents or tenants in the Parcels will have a right to use the park and facilities. Each such Owner will incorporate a provision in its lease to prohibit its tenants from utilizing the park.

(d) Any emergency access points on the perimeter of Tracts C and D which cross a common area of the Master Association or other neighborhood association (applicable to Tracts C and D only).

(e) The costs of liability insurance covering any areas designated as Common Areas within the limits of the Neighborhood Association.

(f) No Owner nor the Neighborhood Association shall have any responsibility for the cost of constructing or maintaining the 4.3 acre Private Recreation park shown on the Briger PCD.

**Section 7. Date of Commencement of Annual Assessments; Due Dates.** The annual regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31.

The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors of the Association (absent which determination they shall be payable monthly).

The assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, every six (6) months), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any special assessment or capital improvement assessment shall be fixed in the Board resolution authorizing such assessment.

**Section 8. Duties of the Board of Directors; Maximum Assessment Rate.** The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Parcel subject to the Association's jurisdiction for each assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Parcels and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto thirty (30) days prior to payment of the first installment thereof, except as to special assessments. In the event no such notice of the assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

Subject to other provisions hereof, the Association shall upon demand at any time furnish to any Owner liable for an assessment a certificate in writing signed by an officer of the Association, setting forth whether such assessment has been paid as to any particular Parcel. Such certificate shall be conclusive evidence of payment of any assessment to the Association therein stated to have been paid.

The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations for management services. The Association shall have all other powers provided in its Articles of Incorporation and By-Laws.

**Section 9. Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association.** If the assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such

assessments (or installments) shall become delinquent and shall, together with interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Parcel which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 8 of this Article to the contrary, the personal obligation of the then Owner to pay such assessment shall pass to his successors in title and recourse may be had against either or both.

If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, the unpaid assessment shall accrue interest as provided herein and/or the next twelve (12) months' worth of installments may be accelerated and become immediately due and payable in full. All such sums shall bear interest from the dates when due until paid at the rate of 12% per annum and the Association may bring an action at law against the Owner(s) personally obligated to pay the same, may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Parcel on which the assessments and late charges are unpaid, may foreclose the lien against the Parcel on which the assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively, and attorneys' fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such assessments, late charges and interest, and in the event a judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred together with the costs of the action, through all applicable appellate levels.

In the case of an acceleration of the next twelve (12) months' of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Parcel whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Parcel shall be levied by the Association for such purpose.

All assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

**Section 10. Subordination of the Lien.** The lien of the assessments provided for in this Article shall be subordinate to real property tax liens and the lien of any first mortgage (recorded prior to recordation by the Association of a claim of lien) held by an Institutional Mortgage Lender or otherwise insured, made or held by FHA, VA, FNMA or EHLMC and which is now or hereafter placed upon any property subject to assessment; provided, however, that any such mortgage lender when in possession or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgage lender acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser or mortgage lender, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). The lien of assessments shall also be subject to the liens of the assessments for the Master Association, the overall priority of liens being: tax liens, first mortgage liens, Master Association liens and then the lien created herein. Any unpaid assessment which cannot be collected as a lien against any Parcel by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Parcels subject to assessment by the Association, including the Parcels as to which the foreclosure (or conveyance in lieu of foreclosure) took place. The term Institutional Mortgage Lender shall include any bank, savings and loan association, mortgage

investment trust, real estate investment trust, mortgage banker or any other lender generally recognized as an institutional lender.

**Section 11. Collection of Assessments.** Assessments levied pursuant hereto shall be collected in the manner established pursuant to Article VI of this Declaration. In the event that at any time said manner provides for collection of assessments levied pursuant hereto by an entity other than the Association, all references herein to collection by the Association shall be deemed to refer to the other entity performing such collection duties and the obligations of Owners to pay assessments shall be satisfied by making such payments to the applicable collecting entity.

**Section 12. Association Funds.** The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special and capital assessments, shall be held by the Association and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

## ARTICLE VI

### ENFORCEMENT

**Section 1. Compliance by Owners.** Every Owner shall comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

**Section 2. Enforcement.** Failure of an Owner to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the rights of use of Common Areas (except for legal access) of defaulting Owners. The offending Parcel Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

**Section 3. Fines.** In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation, provided the following procedures are substantially adhered to:

(a) **Notice:** The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors at which time the Owner shall present reasons why a fine(s) should not be imposed. At least six (6) days' notice of such meeting shall be given.

(b) **Hearing:** The alleged non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why a fine(s) should not be imposed. A written decision of the Board of Directors shall be submitted to the Owner by not later than twenty-one (21) days after the Board of Directors' meeting. The Owner shall have a right to be represented by counsel and to cross-examine witnesses.

(c) Amounts: The Board of Directors (if its or such panel's findings are made against the Owner) may impose special assessments against the Parcel owned by the Owner as follows:

(1) First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).

(2) Second non-compliance or violation: a fine not in excess of Five Hundred Dollars (\$500.00).

(3) Third and subsequent non-compliance, or a violation or violations which are of a continuing nature after notice thereof is given by the Association to the applicable Owner, even if in the first instance: a fine not in excess of One Thousand Dollars (\$1,000.00).

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

(e) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments as set forth herein.

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

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

## ARTICLE VII

### THE MASTER ASSOCIATION

**Section 1. Preamble.** In order to ensure the orderly development, operation and maintenance of The Properties as an integrated part of The Briger PCD, this Article has been promulgated for the purposes of (1) giving the Master Association and the Association certain powers to effectuate such goal, (2) providing for intended (but not guaranteed) economies of scale and (3) establishing the framework of the mechanism through which the foregoing may be accomplished.

**Section 2. Cumulative Effect: Conflict.** The covenants, restrictions and provisions of this Declaration shall be cumulative with those of the Master Association Covenants; provided, however, that in the event of conflict between or among such covenants, restrictions and provisions, or any Articles of Incorporation, By-Laws, rules and regulations, policies or practices adopted or carried out pursuant thereto, those of this Declaration shall be subject and subordinate to those of the Master Association Covenants.

**Section 3. Maintenance and Use Restrictions.** The Master Association and the Association shall each enforce the maintenance and use requirements and restrictions set forth in their respective declarations, provided that (i) in the event of conflict between such requirements and

restrictions, the requirements and restrictions of this Declaration shall control as to The Properties subject to this Declaration and (ii) in the event that the Association fails to so enforce, the Master Association may do so.

**Section 4. Collection of Assessments.** If requested by the Association, the Master Association shall (if it accepts such obligation), act as collection agent for the Association as to all assessments payable to each of same by the Members of the Association. The Master Association will remit the assessments so collected to the respective payees pursuant to such procedure as may be adopted by the Master Association.

In the event that the assessments received by the Master Association for the Association and itself are received in a lump sum and such sum is less than sufficient to pay both entities, the amount collected shall be applied first to the assessments of the Master Association and then to those of the Association. All capital improvement assessments, special assessments, fines, interest, late charges, recovered costs of collection and other extraordinary impositions shall be remitted to the respective entity imposing same separate and apart from the priorities established above.

The Association shall notify the Master Association, by written notice given at least thirty (30) days in advance, of any changes in the amounts of the assessments due it or the frequency at which they are to be collected. The aforesaid notice period shall also apply to capital improvement assessments, but may be as short as five (5) days before the next-due regular assessment installment in the case of special assessments, fines and similar impositions on fewer than all Members.

The Master Association shall have the power, but shall not be required, to record liens or take any other actions with regard to delinquencies in assessments payable to the Association. In the event that the Master Association does so, then all rights of enforcement provided in Article V hereof shall be deemed to have automatically vested in the Master Association, but all costs and expenses of exercising such rights shall nevertheless be paid by the Association (which shall be entitled to receive payment of any such costs and expenses which are ultimately recovered).

The Master Association may change, from time to time by sixty (60) days' prior written notice to the Association, the procedures set forth in this Section 4 in whole or in part. Such change may include, without limitation, the delegation by the Master Association of all or some of the collection functions provided for herein to the Association or any combination of the Master Association and the Association (to which delegation the Association and its Members shall be deemed to have automatically agreed).

All fidelity bonds and insurance maintained by the Association shall reflect any duties delegated to it pursuant hereto and any amounts to be received and disbursed by it pursuant hereto and shall name the Master Association as obligees/insured parties for so long as their assessments are being collected and remitted by the Association.

The Association may delegate any duties delegated to it pursuant hereto to a management company approved by the Master Association, provided, that (1) the Association shall remain ultimately liable hereunder, (2) the management company, as well as the Association, shall comply with the requirements of the foregoing paragraph and (3) the approval of the management company may be withdrawn, with or without cause, at any time upon thirty (30) days' prior written notice. Any management agreement or similar contract entered into by the Association shall be subject to the provisions of this Article and shall not require the Association to pay fees for the performance of

duties which would otherwise be delegated to the company in connection with this Article if such duties are performed by the Master Association as provided above.

In the event of any change in assessment collection procedures elected to be made by the Master Association, the relative priorities of assessment remittances and liens (i.e., the Master Association first and the Association second) shall still remain in effect, as shall the Master Association's ability to modify or revoke its election from time to time.

**Section 5. Delegation of Other Duties.** The Master Association shall have the right to delegate to the Association, on an exclusive or non-exclusive basis, such additional duties not specifically described in this Article as the Master Association shall deem appropriate. Such delegation shall be made by written notice to the Association, which shall be effective no earlier than thirty (30) days from the date it is given. Any delegation made pursuant hereto by the Master Association shall be subject to the prior written approval of the Declarant, which approval may also be withdrawn at any time.

**Section 6. Acceptance of Delegated Duties.** Whenever the Master Association delegates any duty to the Association pursuant to Sections 3, 4 or 5 hereunder, the Association shall be deemed to have automatically accepted same and to have agreed to indemnify, defend and hold harmless the Master Association for all liabilities, losses, damages and expenses (including attorneys' fees actually incurred and court costs, through all appellate levels) arising from or connected with the Association's performance, non-performance or negligent performance thereof.

**Section 7. Conflict; Amendment.** In the event of conflict between this Article VII and any of the other covenants, restrictions or provisions of this Declaration or the Articles of Incorporation, By-Laws or rules and regulations of the Association, the provisions of this Article shall supersede and control.

**ARTICLE VIII**

**INSURANCE**

**Section 1. Common Areas.** The Association shall keep the Common Areas and all fixtures and personal property located thereon or thereon insured against loss or damage by fire for the full insurable replacement cost thereof; and (ii) flood in the maximum amount allowed by law, if necessary or required 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. The insurance coverage with respect to the Common Areas shall be written in the name of the Association and the proceeds thereof shall be payable to it. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses to be included in the Common Assessments made by the Association.

**Section 2. Replacement or Repair of Property.** In the event of damage to or destruction of any part of the Common Areas, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction

Assessment against all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other Common Assessments made against such Owners, subject to the provisions of Article V of this Declaration.

**Section 3. Waiver of Subrogation.** As to each policy of insurance maintained by the Association which will not be voided impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, Declarant, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused 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.

**Section 4. Liability and Other Insurance.** The Association shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, 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. The policy or policies shall be written in an amount of not less than \$1,000,000.00 combined single limit coverage for bodily injury and \$1,000,000.00 for property damage; provided, however that, in the event the cost of a \$1,000,000.00 liability policy becomes prohibitive, the Association may obtain such lesser coverage as is reasonably practical under the circumstances. The Association may also obtain Workmen's Compensation insurance and other liability insurance as it may deem desirable, insuring each Owner and the Association, and Board of Directors from liability in connection with the Common Areas, the premiums for which shall be Common Expenses included in the Common Assessments made against the Owners. All insurance policies shall be reviewed at least annually by the Board of Directors and be increased or decreased 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 any 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 on any committee thereof.

## ARTICLE IX

### MORTGAGEE PROTECTION CLAUSE

**Section 1. Additional Rights.** In addition to all other rights herein set forth and with respect to Improvements upon the Parcels, Institutional Mortgagees shall have the following rights (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) Each Institutional Mortgagee pursuant to an Institutional Mortgage encumbering any Parcel, at its written request, is entitled to written notification from the Association of any default by the mortgagor of such Parcel in the performance of such mortgagor's obligations under this Declaration, the Articles of Incorporation of the Association or the By-Laws of the Association, which default is not cured within thirty (30) days after the Association learns of such default.

(b) Each Institutional Mortgagee pursuant to an Institutional Mortgage encumbering any Parcel which obtains title to such Parcel pursuant to the remedies provided in such mortgage by foreclosure of such mortgage or by deed in lieu of foreclosure shall take title to the Parcel free and clear of any claims of unpaid assessments or charges against such Parcel which accrued prior to the acquisition of title to such Parcel by the Institutional Mortgagee.



(c) Unless at least seventy-five percent (75%) of the Institutional Mortgagees (based upon one vote for each Parcel upon which a mortgage is owned), and seventy-five percent (75%) of the Owners have given their prior written approval, neither the Association nor the Owners shall:

(1) by act or omission seek to sell or transfer the Common Areas and the Improvements thereto which are owned by the Association; provided, however, that the granting of easements for utilities or for such other purposes consistent with the intended use of such property by the Association or the Declarant shall not be deemed a transfer within the meaning of this clause;

(2) change the method of determining the obligations, Assessments, dues or other charges which may be levied against an Owner or Parcel;

(3) fail to maintain fire and extended coverage on insurable portions of the Common Areas on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurance value (based on current replacement cost) less such reasonable deductions as the Board may deem appropriate;

(4) use hazard insurance proceeds for losses to any Common Areas for other than the repair, replacement or reconstruction of such Common Areas (or for reserves for the repair, replacement or reconstruction of the Common Areas); or

(5) amend this Declaration or the Articles or By-Laws of the Association in such a manner that the rights of any Institutional Mortgagee will be materially affected.

(d) Institutional Mortgagees shall at its sole cost and expense and upon written request to the Association have the right to (i) examine the books and records of the Association during normal business hours, including current copies of the Declaration and its exhibits, and current rules and regulations, if any, (ii) receive an unaudited financial statement of the Association within ninety (90) days after each of its fiscal years closes, (iii) receive from the Association written notice of any meeting of the Association's membership and to attend any such meeting and (iv) receive timely written notice of casualty damage to or condemnation of any part of any Parcel upon which it has a mortgage.

(e) All Institutional Mortgagees who have registered their names with the Association shall be given (i) thirty (30) days' written notice prior to the effective date of any proposed, material amendment to this Declaration or the Articles or By-Laws of the Association and prior to the effective date of any termination of any agreement for professional management of the Common Areas following a decision of the Owners to assume self management of the Common Areas; and (ii) immediate notice following any damage to the Common Areas whenever the cost of reconstruction exceeds Ten Thousand Dollars (\$10,000.00), and as soon as the Board learns of any threatened condemnation proceedings or proposed acquisition of any portion of the Common Areas.

## ARTICLE X

### GENERAL PROVISIONS

**Section 1. Duration.** The covenants and restrictions of this Declaration shall run with and bind The Properties, and shall inure to the benefit of and be enforceable by the Master Association,

the Association, the Declarant (at all times) and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75% of all the Parcels subject hereto and of 100% of the mortgagees thereof 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.

**Section 2. Notice.** Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

**Section 3. Enforcement.** Enforcement of these covenants and restrictions shall be accomplished by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Parcels to enforce any lien created by these covenants; and failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

**Section 4. Severability.** Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

**Section 5. Amendment.** In addition to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed, deleted or added to at any time and from time to time by approval at a meeting of Owners holding not less than 66 2/3% vote of the membership in the Association. Any amendment hereto shall also be subject to the approval of the Master Association, which approval shall not be unreasonably withheld. In no event shall any amendment affecting any Owner of a Parcel be effective unless such Parcel Owner has agreed in writing to such amendment.

**Section 6. Effective Date.** This Declaration shall become effective upon its recordation in the Palm Beach County Public Records.

**Section 7. Conflict.** This Declaration shall take precedence over conflicting provisions, if any, in the Articles of Incorporation and By-Laws of the Association and said Articles shall take precedence over the By-Laws.

**Section 8. Easements.** Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners designate hereby the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or

deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

**Section 9. CPI.** Whenever specific dollar amounts are mentioned in this Declaration (or in the Articles or By-Laws or rules and regulations), unless limited or prohibited by law, such amounts will be increased from time to time by application of a nationally recognized consumer price index chosen by the Board, using the date this Declaration is recorded as the base year. In the event no such consumer price index is available, the Board shall choose a reasonable alternative to compute such increases.

**Section 10. Notices and Disclaimers as to Water Bodies.** NEITHER DECLARANT, THE MASTER ASSOCIATION, THE ASSOCIATION NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE BRIGER PCD, EXCEPT (I) AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF LAKES OF LAGUNA (BRIGER PCD) 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 HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN LAKES OF LAGUNA (BRIGER PCD) 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.

**Section 11. Exculpation of Association.** Neither the Association nor any officer, director, employee or agent (including management company) thereof shall be liable for any damage to property, personal injury or death arising from or connected with any act or omission of any of the foregoing during the course of performing any duty or exercising any right or privilege (including, without limitation, performing maintenance work which is the duty of the Association or exercising any remedial maintenance or alteration rights under this Declaration) required or authorized to be done by the Association, or any of the other aforesaid parties, under this Declaration or otherwise as required or permitted by law. The foregoing shall also apply to the Master Association and its respective officers, directors, employees and agents (including management companies).

**Section 12. Covenants Running With The Land.** ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF SECTION 1 HEREOF, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTIES. WITHOUT LIMITING THE GENERALITY OF SECTION 4

HEREOF, IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION AND/OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION AND/OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION AND/OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

**Section 13. Declarant Exculpation.** It is expressly understood and agreed by any party dealing with this Declaration or the subject matter hereof, that notwithstanding anything said in, or done in connection with, this Declaration to the contrary, the party executing this instrument as Declarant is doing so solely in his capacity as trustee as so indicated and not personally or individually in any manner whatsoever. Accordingly, no personal liability is assumed by or is to be asserted against such signatory in any manner, or for any reason, whatsoever.

**ARTICLE XI**

**DISCLAIMER OF LIABILITY OF ASSOCIATION**

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

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

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

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

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

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

EXECUTED as of the date first above written.

Signed, sealed and delivered in the presence of:

Marilyn R. Dixon

(SIGNATURE)

Marilyn R. Dixon

(PRINT NAME)

Louis Schweickart

(SIGNATURE)

Louis Schweickart

(PRINT NAME)

DURHAM-FLORIDA PROPERTIES, LLC  
a Florida limited liability company,

By: Charles D. Robbins

Charles D. Robbins  
Sole member

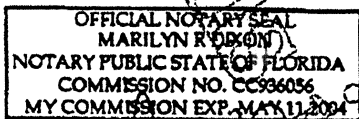
Notarized  
Certified Copy

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

BEFORE ME, the undersigned authority, personally appeared this 21<sup>st</sup> day of December, 2001, Sole Member of DURHAM-FLORIDA PROPERTIES, LLC, a Florida limited liability company, and he acknowledged to and before me that he executed the same under on behalf of said limited liability company. He is personally known to me.

WITNESS my hand and seal in the County and State last aforesaid 21<sup>st</sup> day of December, 2001.

*Marilyn R. Dixon*  
(Signature of Notary Public)



*Angel Arroyo*  
(SIGNATURE)  
ANGEL ARROYO  
(PRINT NAME)  
*Jeremy P. Janisch*  
(SIGNATURE)  
Jeremy P. Janisch  
(PRINT NAME)

WINDSOR FLORIDA PROPERTIES II, L.L.C.  
a Florida limited liability company

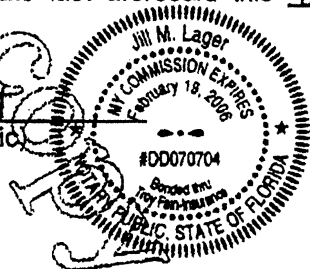
By: *James C. Elwood*  
Print Name: JAMES C. ELWOOD  
Title: MANAGER

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

BEFORE ME, the undersigned authority, personally appeared this 8 day of January, 2002 JAMES C. ELWOOD, MANAGER of WINDSOR FLORIDA PROPERTIES II, L.L.C., a Florida limited liability company, and he acknowledged to and before me that he executed the same under on behalf of said partnership. He is personally known to me.

WITNESS my hand and seal in the County and State last aforesaid this 8 day of January, 2002.

*Jill M. Lager*  
(Signature of Notary Public)



[Signature]  
(SIGNATURE)  
ANSEL ARROYO  
(PRINT NAME)

[Signature]  
(SIGNATURE)  
Jessica Janicek  
(PRINT NAME)

WINDSOR FLORIDA PROPERTIES III, L.L.C.  
a Florida limited liability company

By: [Signature]  
Print Name: JAMES C. ELWOOD  
Title: MANAGER

STATE OF FLORIDA )  
COUNTY OF PALM BEACH ) SS:

BEFORE ME, the undersigned authority, personally appeared this 8 day of JANUARY, 2002, JAMES C. ELWOOD, MANAGER of WINDSOR FLORIDA PROPERTIES III, L.L.C., a Florida limited liability company, and he acknowledged to and before me that he executed the same under on behalf of said partnership. He is personally known to me.

WITNESS my hand and seal in the County and State last aforesaid this 8 day of JANUARY, 2002.

[Signature]  
(Signature of Notary Public)



[Signature]  
(SIGNATURE)  
Yvonne Velez  
(PRINT NAME)  
[Signature]  
(SIGNATURE)  
Lynali Roman  
(PRINT NAME)

BEAR LAKES ACQUISITION, LTD.  
a Florida limited partnership

By: [Signature]  
Print Name: Yvonne Velez  
Title: Jes President

STATE OF FLORIDA )  
COUNTY OF Dade ) SS:

BEFORE ME, the undersigned authority, personally appeared this 15<sup>th</sup> day of January, 2002, Jorge Lopez, Vice President of BEAR LAKES ACQUISITION, LTD, a Florida limited partnership, and he acknowledged to and before me that he executed the same under on behalf of said partnership. He is personally known to me.

WITNESS my hand and seal in the County and State last aforesaid this 15<sup>th</sup> day of January, 2002.

Christina G. Aguirre  
(Signature of Notary Public)



Christina G. Aguirre  
Commission # ED009017  
Expires Aug. 13, 2005  
Bonded Through  
Atlantic Bonding Co., Inc.

[Signature]  
(SIGNATURE)  
Seannette Hernandez  
(PRINT NAME)  
[Signature]  
(SIGNATURE)  
Joseph D. Ramirez  
(PRINT NAME)

BEAR LAKES ASSOCIATES, LTD.  
a Florida limited partnership

By: [Signature]  
Print Name: Jorge Lopez  
Title: Vice President

STATE OF FLORIDA )  
COUNTY OF Dade ) SS:

BEFORE ME, the undersigned authority, personally appeared this 15<sup>th</sup> day of January, 2002, Jorge Lopez, Vice President of BEAR LAKES ASSOCIATES, LTD., a Florida limited partnership, and he acknowledged to and before me that he executed the same under on behalf of said partnership. He is personally known to me.

WITNESS my hand and seal in the County and State last aforesaid this 15<sup>th</sup> day of January, 2002.

Christina G. Aguirre  
(Signature of Notary Public)



Christina G. Aguirre  
Commission # ED009017  
Expires Aug. 13, 2005  
Bonded Through  
Atlantic Bonding Co., Inc.





EXHIBIT A

ARTICLES OF INCORPORATION  
OF  
LAGUNA II  
NEIGHBORHOOD ASSOCIATION, INC.

The undersigned incorporator, desiring to form a corporation not for profit under Chapter 617, Florida Statutes, as amended, hereby adopts the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation shall be LAGUNA II NEIGHBORHOOD ASSOCIATION, INC. which is hereinafter referred to as "the Association", whose principal place of business is 9350 Sunset Drive, Suite 100, Florida 33173.

ARTICLE II

PURPOSES AND POWERS

The objects and purposes of the Association are those objects and purposes as are authorized by the Neighborhood Covenants for LAGUNA II NEIGHBORHOOD ASSOCIATION, INC. recorded (or to be recorded) in the Public Records of Palm Beach County, Florida, as hereafter amended and/or supplemented from time to time (the "Covenants"). The further objects and purposes of the Association are to preserve the values and amenities in The Properties and to maintain the Common Areas thereof for the benefit of the Members of the Association.

The Association is not organized for profit and no part of the net earnings, if any, shall inure to the benefit of any Member or individual person, firm or corporation.

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

The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles and the Covenants above identified. The Association shall also have all of the powers necessary to implement the purposes of the Association as set forth in the Covenants and to provide for the general health and welfare of its membership.

Definitions set forth in the Covenants are incorporated herein by this reference.

### ARTICLE III

#### MEMBERS

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Parcel (as described in the Covenants) shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

#### Section 2. Voting Rights.

(a) The Owner(s) of each Parcel shall be entitled to the number of votes equal to the number of Residential Lots (i.e. residential apartment or condominium units) as defined in the Covenants allowed for such Parcel pursuant to site plan approval by the City of West Palm Beach.

(b) Section 3 of Article III of the Master Declaration provides for certain voting rights in the Master Association for the Voting District Member or Neighborhood Association Voting Member. Notwithstanding the provisions of said Article III Section 3 of the Master Declaration, no Parcel Owner or Voting Member for the Association shall have the right to vote on any matters of the Master Association other than matters affecting the Parcel Owners such obligations contained in Sections 5 and 6 of Article V and Article IV, Section 3 of this Declaration. Voting for Board of Directors of the Master Association shall not be deemed to be a matter affecting the Parcel Owner.

Section 3. Meetings of Members. The By-Laws of the Association shall provide for an annual meeting of Members, and may make provisions for regular and special meetings of Members other than the annual meeting. A quorum for the transaction of business at any meeting of the Members shall exist if 33-1/3% of the total number of Members in good standing shall be present or represented by proxy at the meeting.

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

**ARTICLE IV**

**CORPORATE EXISTENCE**

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

**ARTICLE V**

**BOARD OF DIRECTORS**

**Section 1. Management by Directors.** The property, business and affairs of the Association shall be managed by a Board of Directors, which shall consist of four (4) persons, one appointed by each Parcel Owner. A majority of the directors in office shall constitute a quorum for the transaction of business. The By-Laws shall provide for meetings of directors, including an annual meeting.

**Section 2. Election of Members of Board of Directors.** Except as otherwise provided herein and for the first Board of Directors, directors shall be elected by the Members of the Association at the annual meeting of the membership as provided by the By-Laws of the Association, and the By-Laws may provide for the method of voting in the election and for removal from office of directors. All directors shall be members of the Association residing in The Properties or shall be authorized representatives, officers, or employees of corporate members of the Association, or designees of the Parcel Owners.

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

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

**ARTICLE VI**

**OFFICERS**

**Section 1. Election and Appointment of Officers.** The officers of the Association, in accordance with any applicable provision of the By-Laws, shall be elected by the Board of Directors for terms of one (1) year and thereafter until qualified successors are duly elected and have taken office. The By-Laws may provide for the method of voting in the

election, for the removal from office of officers, for filling vacancies and for the duties of the officers. The President shall be a director; other officers may or may not be directors of the Association. If the office of President shall become vacant for any reason, or if the President shall be unable or unavailable to act, the Vice President shall automatically succeed to the office or perform its duties and exercise its powers. If any office shall become vacant for any reason, the Board of Directors may elect or appoint an individual to fill such vacancy.

**ARTICLE VII**

**BY-LAWS**

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

**ARTICLE VIII**

**AMENDMENTS AND PRIORITIES**

Section 1. Amendments to these Articles of Incorporation shall be proposed and approved by the Board of Directors and thereafter submitted to a meeting of the membership of the Association for adoption or rejection (by affirmative vote of 75% of the Members), all in the manner provided in, and in accordance with the notice provisions of, Fla. Stat. 617.017.

Section 2. In case of any conflict between these Articles of Incorporation and the By-Laws, these Articles shall control; and in case of any conflict between these Articles of Incorporation and the Covenants, the Covenants shall control.

**ARTICLE IX**

**INCORPORATOR**

The name and address of the incorporator of this Corporation is:

Name

Address

Charles D. Robbins

2699 South Bayshore Drive  
7<sup>th</sup> Floor  
Miami, Florida 33133

**ARTICLE X**  
**INDEMNIFICATION**

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

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

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

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

**Section 5.** The provisions of this Article X shall not be amended.

**ARTICLE XI**

**REGISTERED AGENT**

Until changed, Charles D. Robbins, shall be the registered agent of the Association and the registered office shall be at 2699 South Bayshore Drive, 7<sup>th</sup> Floor, Miami, Florida 33133.

IN WITNESS WHEREOF, the aforesaid incorporator has hereunto set his hand this \_\_\_\_\_ day of January, 2001.

\_\_\_\_\_  
CHARLES D. ROBBINS

This is not a certified copy

**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR  
THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT  
UPON WHOM PROCESS MAY BE SERVED**

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

First - That desiring to organize under the laws of the State of Florida with its principal office, as indicated in the foregoing articles of Incorporation, in the County of Palm Beach, State of Florida, the corporation named in said articles has named Charles D. Robbins located at 2699 South Bayshore Drive, 7<sup>th</sup> Floor, Miami, Florida 33133, as its statutory registered agent.

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

Dated this 31<sup>st</sup> day of January, 2001.

\_\_\_\_\_  
CHARLES D. ROBBINS

THIS IS NOT A CERTIFIED COPY



EXHIBIT B

BYLAWS  
OF  
LAGUNA II NEIGHBORHOOD ASSOCIATION, INC.

**Section 1. Identification of Association**

These are the "Bylaws" of LAGUNA II NEIGHBORHOOD ASSOCIATION, INC. ("Association"), as duly adopted by its Board of Directors ("Board"). The Association is a corporation not for profit, organized pursuant to and under Chapter 617, Florida Statutes.

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

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

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

**Section 2. Definitions**

The terms defined in the Articles of Incorporation of the Association ("Articles") as well as in the Declaration of Protective Covenants, Restrictions and Easements for Laguna II Neighborhood Association, Inc. ("Declaration") are incorporated herein by reference.

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

3.1 The Members shall meet annually at the office of the Association or at such other place within the State of Florida, in the month of November at such time and place as determined by the Board and as designated in the notice of such meeting ("Annual Members' Meeting"). The purpose of the Annual Members' Meeting shall be to hear reports of the officers and transact any other business authorized to be transacted at such meeting.

3.2 Special meeting of the members shall be held at any place within the State of Florida whenever called by the President or Vice President or by a majority of the Board. A special meeting must be called by the President or Vice President upon receipt of a written request from Members having the right to vote at least one-third (1/3) of the total number of votes entitled to be cast at such meeting.

3.3 A written notice of all meetings of Members whether the Annual Members' Meeting or special meetings, shall be given to each Member at his last known address as it then appears on the books of the Association unless specifically waived in writing by a Member prior to the required notification period as set forth below. Such notice of an Annual Members' Meeting or special meeting shall be mailed to the said address not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the Affidavit of the person who mailed such notice. The notice shall state the time and place of the meeting of members to take place within the State of Florida and the purpose for which the meeting is called. The notice shall be signed by an officer of the Association or reflect a facsimile of such signature. If a meeting of the membership, either Annual or special, is one which, by express provision of the Declaration or Articles permits or requires a greater or lesser amount of time for the mailing or posting of notice than is required or permitted by the provision of this Section 3.4, then the aforesaid express provision shall govern. Notwithstanding any provision herein to the contrary, notice of any Meeting may be waived before, during or after such Meeting by a Member or by the person entitled to vote for such Member by signing a document setting forth the waiver of such notice.

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

3.5 A quorum for a meeting of the Members shall consist of persons entitled to cast at least a majority of all votes of membership. If the required quorum is not present another meeting may be called subject to notice requirements, and the required quorum at the subsequent meeting shall be thirty-three and one-third percent (33-1/3%) of all votes of membership. A Member may join in the action of a meeting by signing and concurring in the minutes thereof and such a signing shall constitute the presence of such parties for the purpose of determining a quorum. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the voting rights present in person or by "Proxy" (as hereinafter defined) shall be required to decide the question unless the question is one upon which an express provision of the Declaration or Articles requires a vote other than the majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such question.

3.6 If any meeting of the Members cannot be organized because a quorum is not in attendance, the Members who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present. In the case of the meeting

being postponed, the notice provisions for the adjournment shall be as determined by the Board.

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

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

3.9 The voting interest of the Owners of any Parcel owned by more than one (1) person, a corporation or other entity, or by one (1) person and a corporation and/or other entity, or by any combination of the aforesaid, shall be cast by the Owner, officer, partner or principal ("Voting Member") named in a voting certificate ("Voting Certificate") filed with the Secretary of the Association signed by all of the Owners of such Parcel or, if appropriate, by properly designated officers, principals or partners of the respective legal entity which owns the Parcel. In the alternative, a Proxy as to a particular meeting may be executed in the same manner as the Voting Certificate.

#### **Section 4. Board of Directors' Meetings**

4.1 The form of administration of the Association shall be by a Board of no less than four (4) Directors, one each appointed by the Owner of each Parcel.

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

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

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

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

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

4.7 Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day specified for such meeting. Any Director may waive notice of the meeting before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

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

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

4.10 Directors' fees, if any, shall be determined by a majority of the members.

4.11 Minutes of all meetings shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times.

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

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

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

**Section 5. Powers and Duties of the Board of Directors**

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

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

**Section 6. Officers of the Association**

6.1 Executive officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer, a Secretary and, if the Board so determines, an Assistant Secretary and an Assistant Treasurer, all of whom shall be elected annually as set forth in Article IX of the Articles. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board. The Board shall, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

6.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the

President of an association or a corporation not for profit, including, but not limited to, the power to appoint such committees at such times from among the members as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association. If in attendance, the President shall preside at all meetings of the Board.

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

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

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

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

#### **Section 7. Accounting Records, Fiscal Management**

7.1 The Association shall maintain accounting records in accordance with good accounting practices, which shall be open to inspection by Members and "Institutional Mortgagees" or their respective authorized representatives at reasonable times. Such authorization as a representative of a member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection. Written summaries of the accounting records shall be available at least annually to the members. Such records shall include, but not be limited to, (a) a record of all receipts and expenditures; and (b) an account for each contributing Lot which shall designate the name

and address of the contributing Lot Owner thereof, the amount of individual Lot Assessments and all other Assessments, if any, charged to the contributing Lot, the amounts and due dates for payment of same, the amounts paid upon the account and the balance due.

7.2 The Board shall adopt a Budget (as provided for in the Declaration) of the anticipated "Common Expenses" of the Association for each forthcoming calendar year (the fiscal year of the Association being the calendar year) at a special meeting of the Board ("Budget Meeting") called for that purpose to be held during the first two weeks of November of the year preceding the year to which the Budget applies. Prior to the Budget Meeting, a proposed Budget for the Common Expenses shall be prepared by or on behalf of the Board. Within thirty (30) days after adoption of the Budget, a copy thereof shall be furnished to each member and each contributing Parcel Owner shall be given notice of the individual Assessment applicable to the Owner's Parcel. The copy of the Budget shall be deemed furnished and the notice of the individual Parcel Assessment shall be deemed given upon its delivery or upon its being mailed to the member or contributing Parcel Owner shown on the records of the Association at the address for giving notices to such member or contributing Parcel Owner as provided in Section 3.4 hereof.

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

Notwithstanding the foregoing, the Assessments for Common Expenses and any periodic installments thereof shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses in any calendar year as such expenses are incurred in accordance with the cash basis method of accounting.

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

7.5 No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Common Expenses not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending. Should there exist any deficiency which results from there being greater Common Expenses than monies from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of an adjustment to the applicable Assessments set forth in the Declaration.

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

7.7 A financial report of actual receipts and expenditures for the immediately preceding fiscal year of the Association shall be made annually and a copy of the report shall be provided to each member not later than the first day of April of the year following the year for which the report is made. The report shall be deemed to be furnished to the member upon its delivery or mailing to the member at the address for giving notices to such member as provided in Section 3.4 hereof. The holder, insurer or guarantor of any first mortgage upon written request therefor, shall receive such financial report of the Association for the prior fiscal year without charge.

#### **Section 8. Books and Papers; Financial Matters**

8.1 The books, records, financial statements and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member of the Association.

8.2 The fiscal year of the Association shall be the calendar year, the operating budget therefor to be adopted at least sixty (60) days prior to the commencement thereof (provided that the failure to do so shall not impair the validity or enforceability of the assessments to be levied thereunder).

8.3 At least twenty (20) days prior to the effective date of any change in the amount of assessments, the Association shall send written notice of the new assessment amount and the due date(s) thereof to each Member.

8.4 Within a reasonable amount of time after the end of the Association's fiscal year, the Association shall prepare, or cause to be prepared, financial statements for the Association showing its actual receipts and expenditures for the previous twelve (12) months in the classifications provided in the budget for such period. Such statements need not be audited or reviewed by a Certified Public Accountant.

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

(a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the common areas or other property that the Association is obligated to maintain, repair, or replace.

(b) A copy of the bylaws of the Association and of each amendment to the bylaws.



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

7.7 A financial report of actual receipts and expenditures for the immediately preceding fiscal year of the Association shall be made annually and a copy of the report shall be provided to each member not later than the first day of April of the year following the year for which the report is made. The report shall be deemed to be furnished to the member upon its delivery or mailing to the member at the address for giving notices to such member as provided in Section 3.4 hereof. The holder, insurer or guarantor of any first mortgage upon written request therefor, shall receive such financial report of the Association for the prior fiscal year without charge.

#### **Section 8. Books and Papers; Financial Matters**

8.1 The books, records, financial statements and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member of the Association.

8.2 The fiscal year of the Association shall be the calendar year, the operating budget therefor to be adopted at least sixty (60) days prior to the commencement thereof (provided that the failure to do so shall not impair the validity or enforceability of the assessments to be levied thereunder).

8.3 At least twenty (20) days prior to the effective date of any change in the amount of assessments, the Association shall send written notice of the new assessment amount and the due date(s) thereof to each Member.

8.4 Within a reasonable amount of time after the end of the Association's fiscal year, the Association shall prepare, or cause to be prepared, financial statements for the Association showing its actual receipts and expenditures for the previous twelve (12) months in the classifications provided in the budget for such period. Such statements need not be audited or reviewed by a Certified Public Accountant.

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

(a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the common areas or other property that the Association is obligated to maintain, repair, or replace.

(b) A copy of the bylaws of the Association and of each amendment to the bylaws.

(c) A copy of the articles of incorporation of the Association and of each amendment thereto.

(d) A copy of the declaration of covenants and a copy of each amendment thereto.

(e) A copy of the current rules of the Association.

(f) The minutes of all meeting of the Board of Directors and of the members, which minutes must be retained for at least seven (7) years.

(g) A current roster of all members and their mailing addresses and parcel identifications.

(h) All of the Association's insurance policies or a copy thereof, which policies must be retained for at least seven (7) years.

(i) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreements, lease, or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed must also be considered official records and must be kept for a period of one (1) year.

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

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

8.6 The official records shall be maintained within the state and must be open to inspection and available for photocopying by members or their authorized agents at reasonable time and places within ten (10) business days after receipt of a written request for access.

(a) The Association may adopt reasonable written rules governing the frequency, time, location, notice, and manner of inspections, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The Association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members, and may charge only its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them.

8.7 The Association shall prepare an annual budget. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the Association, the developer, or another person. The Association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. The copy must be provided to the member within the time limits set forth in subsection 8.6.

8.8 The association shall prepare an annual financial report within sixty (60) days after the close of the fiscal year. The association shall, within the time limits set forth in subsection 8.6, provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report must consist of either:

(a) Financial statements presented in conformity with generally accepted accounting principles; or

(b) A financial report of actual receipts and expenditures, cash basis, which report must show:

(1) The amount of receipts and expenditures by classification; and

(2) The beginning and ending cash balances of the Association.

#### **Section 9. Rules and Regulations**

The Board may adopt rules and regulations or amend, modify or rescind existing rules and regulations for the operation and use of the Common Facilities; provided such rules and regulations are not inconsistent with the Declaration or Articles. Copies of any rules and regulations promulgated, modified, amended or rescinded shall be mailed or delivered to all Members at the address for giving notices to such Member as provided in

Section 3.4 hereof and shall not take effect until forty-eight (48) hours after such mailing or delivery. Notwithstanding the foregoing, where rules and regulations are to regulate the use of specific portions of the Common Facilities such rules and regulations may be conspicuously posted at such facility and such rules and regulations shall be effective immediately upon such posting.

**Section 10. Parliamentary Rules**

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

**Section 11. Amendments of the Bylaws**

11.1 These Bylaws may be amended as hereinafter set forth:

After the "Turnover Date," any Bylaw of the Association may be amended or repealed and any new Bylaw of the Association may be adopted by either:

(i) Majority vote of the Members present in person or by proxy at any Annual Members Meeting or any special meeting of the Members called for that purpose or by majority action of the Members who have acted by written response in lieu of a meeting as permitted by these Bylaws; or

(ii) by the affirmative vote of a majority of the Directors then in office at any regular meeting of the Board or at any regular meeting of the Board or at any special meeting of the Board or at any special meeting of the Board called for that purpose or by written instrument signed by all of the Directors provided that the Directors shall not have authority to adopt or amend or repeal any Bylaw if such new Bylaw or such amendment or the repeal of a Bylaw would be inconsistent with any Bylaw previously adopted by the Members.

11.2 Notwithstanding any of the foregoing provisions of this Section 10 to the contrary, until the Turnover Date, all amendments or modifications to these Bylaws and adoption or repeal of Bylaws shall only be made by action of the First Board, which First Board shall have the power to amend, modify, adopt and repeal any Bylaws without the requirement of any consent of the Members.

11.3 Notwithstanding any provision of this Section 11 to the contrary, these Bylaws shall not be amended in any manner which shall amend, modify or affect any provisions, terms, conditions, rights or obligations set forth in the Declarations or Articles, as the same may be amended from time to time in accordance with the provisions thereof, including, without limitation, any rights of Developer, or of an Institutional Mortgagee without the prior written consent thereto by Developer or Institutional Mortgagee, as the case may be.

11.4 Any instrument amending, modifying, repealing or adding Bylaws shall identify the particular Section(s) affected and give the exact language of such modification, amendment or addition or of the provisions repealed.

**Section 12. Interpretation**

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

The foregoing Bylaws of Laguna II Neighborhood Association, Inc. have been adopted by all of the Directors of Laguna II Neighborhood Association, Inc.

LAGUNA II NEIGHBORHOOD  
ASSOCIATION, INC.

By: \_\_\_\_\_

Dated: \_\_\_\_\_

This is not a certified copy



EXHIBIT C

(Briger PCD Legal Description)

All of the Plat of Briger Tract No. 1, a Planned Community Development, according to the Plat thereof, recorded in Plat Book 54, Page 35, Public Records of Palm Beach County, Florida, less and except the property conveyed to Northern Palm Beach County Water Control District by Special Warranty Deed recorded in Official Records Book 8871, Page 3110, Public Records of Palm Beach County, Florida.

This is not a certified copy

EXHIBIT D

TRACT "C"  
19.659 ACRES

This is not a legal plat

RECORDED PLAT OF WINDSOR WAY

INDICATES NORTHERN LIMIT OF CUL-DE-SAC IN PROPOSED RE-PLAT OF WINDSOR WAY

HATCHED AREA INDICATES AREA OF WINDSOR WAY TO BE MAINTAINED BY THE NEIGHBORHOOD ASSOCIATION PURSUANT TO ARTICLE IV, SECTION 3(d)

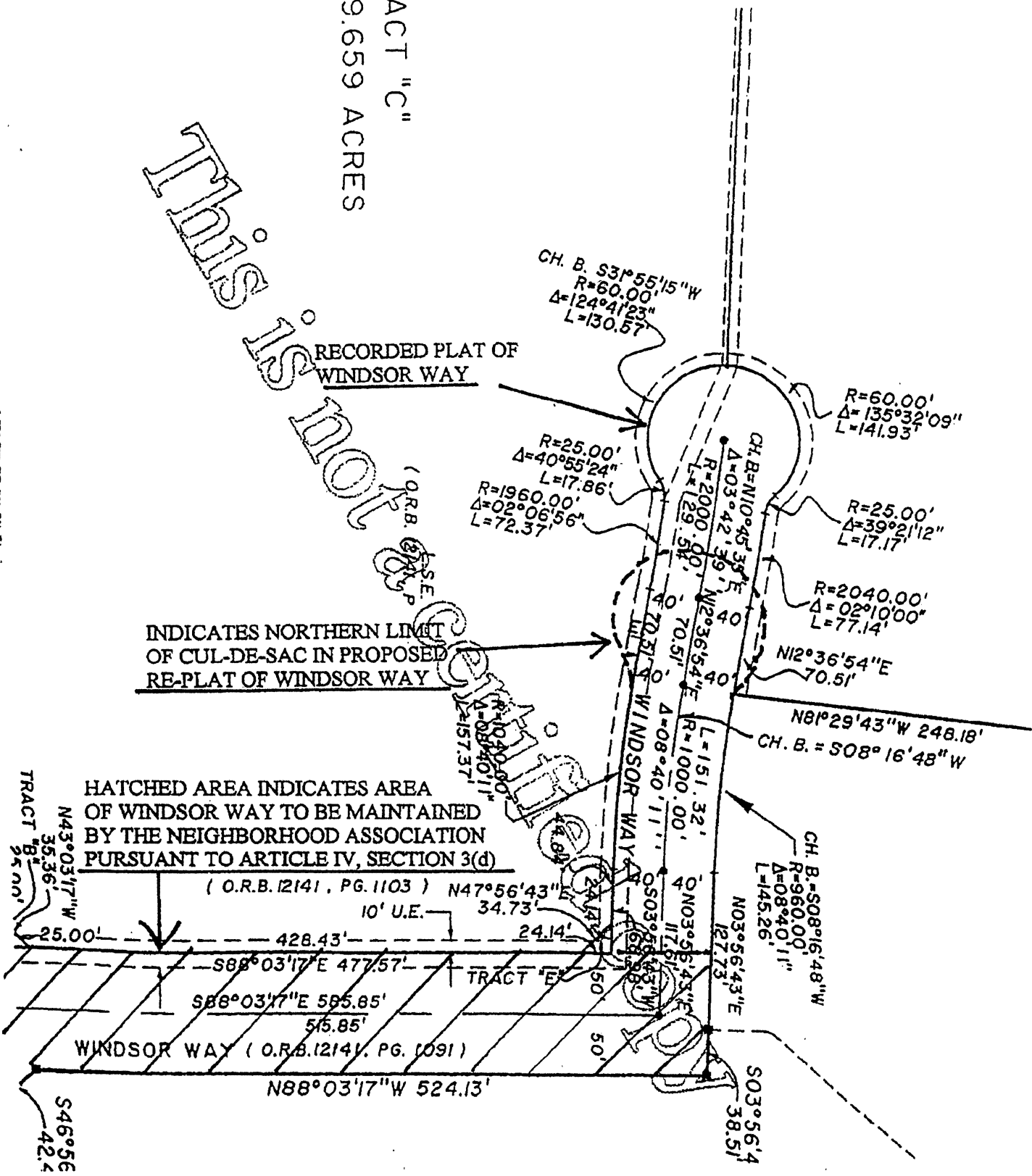




EXHIBIT E

(Lake maintenance sharing percentages)

<u>Tract</u>	<u>Net Acres</u>	<u>% of Cost Allocated</u>
A	21.49	10.52%
B	22.60	11.06
C	19.68	9.63
D	19.68	9.63
E	11.18	5.47
F	15.75	7.71
GHJ	36.94	18.08
I	22.11	10.82
K	20.05	9.81
Commercial	<u>14.89</u>	<u>7.29</u>
	204.37	100.00%

This is not a certified copy



FREQUENTLY ASKED QUESTIONS AND ANSWERS  
**EMERALD ISLE AT LAGUNA LAKES CONDOMINIUM ASSOCIATION, INC.**  
 As of September, 2004

1. **What are my voting rights in the condominium association?** The owner(s) of each Unit shall be entitled to one (1) vote on each issue which comes before the condominium association requiring unit owner approval. If a unit is owned by more than one person or by an entity (i.e., a corporation, partnership or trust), the unit owner shall file with the association a voting certificate designating the person entitled to vote for the unit. The designation made by voting certificate may be changed at any time by the owner(s) of the unit. On certain matters a limited proxy may be given by the unit owner to another person to cast a vote for the unit owner in his or her absence. Unit owners should be aware that most day to day decisions of the association are made by the board of directors (and do not require a vote of unit owners). The Developer has the right to retain control of the condominium association after a majority of the units have been sold. The Directors of the Association designated by the Developer will be replaced by Directors elected by Unit Owners other than the Developer in accordance with the applicable provisions of the Florida Condominium Act, Section 718.301, Florida Statutes, and the By-Laws.

2. **What restrictions exist in the condominium documents on my right to use my unit?** In order to establish harmony in the community, the condominium documents establish certain restrictions on the permitted uses of units. Each Unit shall be used as a residence and/or home office only, except as otherwise provided, all in accordance with, and only to the extent permitted by, applicable local, County, state and federal codes, ordinances and regulations. Home office use of a Unit shall only be permitted to the extent permitted by law and to the extent that the office is not staffed by employees, is not used to receive clients and/or customers and does not generate additional visitors or traffic into the Unit or on any part of the Condominium Property. Various restrictions exist regarding the Units including, but not limited to, restrictions regarding changes and alterations to the units, pets, mitigation or dampness and humidity and installation of floor coverings. Please refer to the section of the Prospectus entitled "Restrictions on Use of Units and Common Elements and Alienability", the Rules and Regulations of the Association attached as Exhibit "A" to the By-Laws of the Association and Section 17 of the Declaration attached as Exhibit "A" to the Prospectus for further information. See the referenced Sections of the condominium documents for additional restrictions and further details. The Developer is exempt from many of these restrictions.

3. **What restrictions exist in the condominium documents on the leasing of my unit?** Leasing of Units shall be subject to the prior written approval of the Association, and certain other restrictions. No lease of a Unit shall be for a period of less than six (6) months and there shall be no more than two (2) leases of a Unit in any calendar year (i.e., not more than two (2) leases shall commence during any calendar year). Each tenant or occupant shall comply with the covenants, terms, conditions and restrictions of the Declaration (and all Exhibits thereto) and with any and all rules and regulations adopted by the Association from time to time. A Unit Owner and a tenant or occupant of his or her Unit are jointly and severally liable for the tenant's or occupant's violation of any provision of the Declaration of Condominium and the Condominium Association's Rules and Regulations. The Association may charge a fee in connection with the approval of any lease, sublease, or other transfer of a Unit requiring approval. In connection with the leasing of a Unit, the Condominium Association may require the unit owner to place a common area security deposit with the Condominium Association to offset damages to the Common Elements caused by the tenant. Please refer to Section 17.8 of the Declaration for further details.

4. **How much are my assessments to the condominium association for my unit type and when are they due?** Each Unit is assessed a portion of the overall estimated operating expenses of the association and of the Common Expenses (as set forth on Exhibit "3"), which portions were determined based upon the relative size of the particular unit in proportion to the size of the other units in the condominium. Assessments per Unit type are set forth in an attachment to the Estimated Operating Budget and are as follows:

Unit Type	Monthly Fee	Annual Fee	Monthly Fee	Annual Fee
	without Reserves	without Reserves	with Reserves	with Reserves
Units Type A1, A4	\$174.84	\$2,098.09	\$180.11	\$2,161.34
Units Type A2	\$173.92	\$2,087.05	\$179.16	\$2,149.96
Units Type A3	\$182.20	\$2,186.43	\$187.70	\$2,252.34
Units Type B1 and B2	\$213.03	\$2,556.36	\$219.45	\$2,633.42
Units Type C1, C2, C4	\$243.63	\$2,923.52	\$250.97	\$3,011.65
Unit Type C3	\$253.06	\$3,036.71	\$260.69	\$3,128.25
Unit D	\$299.07	\$3,588.84	\$308.09	\$3,697.02

5. **Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments?** You are obligated to be a member of Laguna Master Association, Inc. which is established to govern the Lakes of Laguna pursuant to the Declaration of Covenants and Restrictions for the Lakes of Laguna. Each Unit Owner will be entitled to vote either directly or through a Voting Member in matters before the Master Association requiring membership approval. The Assessments payable to the Master Association (which is not controlled by Developer) are presently \$3.20 per year, per Unit. Additionally, you are obligated to be a member of the Laguna II Neighborhood Association, Inc. Each Unit Owner will be entitled to vote, either directly or indirectly, in matters before the Neighborhood Association requiring membership approval. Presently, the Neighborhood Association, which is not controlled by Developer, has not been assessing.

6. **Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?** The unit owners are not obligated to pay rent or land use fees for recreational and other commonly used facilities. The expenses related to the operation, repair and replacement of those facilities are built in to the estimated operating budget of the condominium association and/or Master Association and are paid for by unit owners through assessments.

7. **Is the condominium association or any other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000.00? If so, identify each such case?** The association is not presently a party to any litigation.

The foregoing is provided in accordance with Section 718.503, Florida Statutes, as a guide to some of the matters that are of interest to purchasers when buying a condominium unit. This is not, however, intended to present a complete summary of all of the provisions of the various condominium documents.

**NOTE: THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, EXHIBITS HERETO, THE SALES AGREEMENT AND THE CONDOMINIUM DOCUMENTS FOR COMPLETE DETAILS.**

