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DECLARATION OF CONDOMINIUM

OF

LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1

I.

SUBMISSION STATEMENT

Lucerne Lakes Golf Colony No. 1, Inc., as Developer, being the owner of record of the fee simple title to the real property situate, lying and being in Palm Beach County, Florida, as more particularly described as Exhibit "A" attached hereto and made a part hereof, hereby states and declares that said realty, is submitted to Condominium ownership, pursuant to the Condominium Act of the State of Florida, F.S. 718 et seq., as of the date hereof (hereinafter referred to as the "Condominium Act" or "Act"), and the provisions of said Act are incorporated herein by reference and does herewith file this Declaration of Condominium (hereinafter sometimes referred to as "Declaration").

Definitions: As used in this Declaration of Condominium and Exhibits attached hereto and all amendments thereof, unless the context otherwise requires, the following definitions shall prevail:

A. Declaration, or Declaration of Condominium, means this instrument, as it may be from time to time amended.

B. Association means the Florida corporation not for profit whose name appears at the end of this Declaration as "Association", said Association being the entity responsible for the operation of the Condominium.

C. The term "Board of Directors" shall mean the Board of Directors of the Association.

D. By-Laws means the By-Laws of the Association as they exist from time to time.

E. Common Elements means the portions of the Condominium Property not included in the Units.

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F. Limited Common Elements means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of all other Units, as specified in this Declaration.

G. Condominium means that form of ownership of real property which is created pursuant to the Condominium Act, and which is comprised of Units that may be owned by one or more persons and there is appurtenant to each Unit an undivided share of the Common Elements.

H. Condominium Act or Act means and refers to the Condominium Act of the State of Florida (F.S. 718 et seq.) as of the date hereof.

I. Common Expenses means all expenses and assessments properly incurred by the Association for the Condominium for which the Unit Owners are liable to the Association; including, but not limited to the expenses of the operation, maintenance, repair or replacement of the Common Elements, costs of carrying out the powers of the Association, and any other expenses desig-

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nated as a Common Expense by the Condominium Act, this Declaration or the By-Laws.

J. Common Surplus means the excess of all receipts of the Association from this Condominium--including but not limited to assessments, rents, profits and revenues on account of the Common Elements--over and above the amount of Common Expenses of this Condominium.

K. Condominium Property means and includes the lands, leaseholds and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

L. Assessment means a share of the funds required for the payment of Common Expenses and other charges which, from time to time, are assessed against the Unit Owner.

M. Condominium Parcel or Parcel means a Unit, together with the undivided share in the Common Elements which is appurtenant to the Unit.

N. Condominium Unit, or Unit, is a unit as defined in the Condominium Act, referring herein to each of the separate and identified Units delineated in the Survey attached to this Declaration as composite Exhibit "B" attached hereto and made a part hereof, and when the context permits the Condominium Parcel includes such Unit, including its share of the Common Elements appurtenant thereto. The physical boundaries of each Unit are as delineated in the Survey aforesaid and are as more particularly described in Article III and Article XIX.A. of this Declaration.

O. Unit Owner, or Owner of a Unit, or Parcel Owner, means the owner of a Condominium Parcel.

P. Developer means the entity whose name appears at the end of this Declaration as "Developer," its successors and assigns.

Q. Institutional First Mortgagee means a bank, savings and loan association, insurance company or union pension fund authorized to do business in the United States of America, an agency of the United States Government, a real estate or mortgage investment trust, or a lender generally recognized in the community as an Institutional type of lender owning and holding a first mortgage encumbering a Unit. The mortgage may be placed through a mortgage or title Company. In the event the Developer or a nominee of Developer should become a mortgagee as to any Unit within this Condominium, the Developer or its nominee shall be deemed for purposes of this Declaration of Condominium and Exhibits thereto to be an "Institutional First Mortgagee."

R. Occupant means the person or persons other than the Unit Owner in possession of a Unit.

S. Condominium Documents means this Declaration, the By-Laws and all Exhibits annexed hereto, as the same may be amended from time to time. The term Condominium Documents may also mean, where applicable, Rules and Regulations, Prospectus or Offering Circular, and the applicable required items under the Condominium Act, unless the context otherwise requires, and notwithstanding that some or all of said documents or items may or may not be Exhibits to the Declaration of Condominium and/or recorded in the Public Records of Palm Beach County, Florida.

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T. Lucerne Lakes Golf Colony Condominium Project or Complex and Lucerne Lakes Golf Colony Project or Complex and "Complex" or "Project," where used throughout this Declaration and Exhibits attached hereto, shall mean all or such portion of the real property that is now or hereinafter developed into not more than thirteen (13) Condominiums named Lucerne Lakes Golf Colony Condominiums Nos. 1 through 14 (exclusive of No. 13) respectively, as they may (at the option of Developer) be submitted to Condominium ownership from time to time, plus the Community Properties, as it exists from time to time.

U. The terms "undivided interests", "percentage", "fractional", "proportional" and "share," where used throughout this Declaration and Exhibits attached thereto, shall mean the same as set forth on Exhibit "C" attached hereto and made a part hereof unless the context otherwise requires.

V. The term "Declaration and Exhibits," wherever it appears in this Declaration and Exhibits attached hereto, means "Declaration and Exhibits attached hereto."

W. Management Agreement means and refers to that certain Agreement attached to this Declaration and made a part hereof, which provides for the management of the Condominium Property and is annexed hereto as Exhibit "F."

X. Management Firm means and refers to the Corporation identified as the Management Firm in the Management Agreement attached to this Declaration, its successors and assigns.

Y. Community Declaration means the Lucerne Lakes Golf Colony Community Declaration of Covenants, Restrictions and Easements and all Exhibits thereto and amendments thereto, now existing or hereafter made, as provided in and attached hereto as composite Exhibit "G."

Z. The Community Properties means and refers to those properties declared as Community Properties in accordance with the provisions of the Community Declaration. The Community Properties will include "Recreation Area 1" (as more particularly described in Exhibit "A" attached to the Community Declaration) and/or "Recreation Area 2" (as more particularly described in Exhibit "B" to the Community Declaration) and/or such other real property and improvements as may be added to "Community Properties" (as defined in and pursuant to the Community Declaration) when, as and if any of such properties are added to the Community Properties as provided in Article XXI of this Declaration and as provided in the Community Declaration.

AA. Community Properties Management Agreement means and refers to that certain Agreement which provides for the management of the Community Properties and is annexed to the Community Declaration as Exhibit "F."

BB. Community Association means Lucerne Lakes Golf Colony Community Association, Inc., a Florida corporation not for profit.

CC. Community Management Firm means and refers to the Corporation identified as the Community Management Firm in the Community Properties Management Agreement attached to the Community Declaration, its successors and assigns. The Community Management Firm shall be responsible for the management of the Community Properties as provided in the Communities Properties Management Agreement.

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DD. Lucerne Lakes Master Declaration of Covenants and Restrictions means the Declaration of Covenants and Restrictions and all Exhibits thereto and amendments thereto, now existing or hereafter made, which are attached hereto as composite Exhibit "H."

EE. Master Association means the Florida Corporation not for profit entitled "Lucerne Lakes Master Homeowner's Association, Inc.," which master association is responsible for those certain matters as are more particularly set forth in Article XVIII of this Declaration.

FF. The term "ARTICLE" and "PARAGRAPH" where used throughout this Declaration and Exhibits attached hereto shall mean the same unless the context otherwise requires.

GG. The references to all sections and subsections under the Condominium Act (Chapter 718 of the Florida Statutes, i.e., F.S. 718 et seq.) in this Declaration and Exhibits attached hereto, shall mean those sections and subsections as they exist as of the date hereof, unless the context otherwise specifies or requires. References to "F.S." shall mean the Florida Statutes.

HH. Unless the context otherwise requires, all other terms used in this Declaration shall be assumed to have the meaning attributed to said term by the Condominium Act.

II.

NAME

The name by which this Condominium is to be identified is Lucerne Lakes Golf Colony Condominium No. 1.

IDENTIFICATION OF UNITS

The Condominium Property consists of the land described in Exhibit "A" attached hereto and improvements thereon, including, but not limited to all Units in the Buildings and Common Elements, and for the purpose of identification, all buildings are given an identifying number and all Units in the buildings located on the Condominium Property are given an identifying number and the same are delineated on the Survey Exhibits collectively identified in Exhibit "B," attached hereto and made a part of this Declaration. No building or Unit bears the same identifying number as does any other building or Unit. The aforesaid identifying number as to the building and Unit is also the identifying number as to the Parcel. The said Exhibit "B" also contains a Survey of the land, graphic description of the improvements in which the Units are located and a plot plan and, together with this Declaration, they are in sufficient detail to identify the location, dimensions and size of the Common Elements and of each Unit, and provide accurate representations of their locations and dimensions. Composite Exhibit "B" also includes floor plans of each unit type. There shall be included in said Exhibit "B" a Certificate or Certificates pursuant to and as required by F.S. 718.104(4)(e). The legend and notes contained within the said Exhibit "B" are incorporated herein and made a part hereof by reference.

IV.

OWNERSHIP OF COMMON ELEMENTS

Each of the Unit Owners of the Condominium shall own an undivided interest in the Common Elements and Limited Common

Elements and the undivided interest, stated as percentages or fractions of such ownership in the said Common Elements and Limited Common Elements, is set forth on Exhibit "C" which is annexed to this Declaration and made a part hereof.

The fee title to each Condominium Parcel shall include both the Unit and the above respective undivided interest in the Common Elements, said undivided interest in the Common Elements to be deemed to be conveyed or encumbered with its respective Unit. Any attempt to separate the fee title to a Unit from the undivided interest in the Common Elements appurtenant to each Unit shall be null and void. The term "Common Elements," when used throughout this Declaration, shall mean both Common Elements and Limited Common Elements unless the context otherwise specifically requires. Limited Common Elements may include but not be limited to those Limited Common Elements which may be reserved for the exclusive use of a particular Unit or Units pursuant to Article XV of this Declaration.

V.

VOTING RIGHTS

There shall be one person with respect to each unit ownership who shall be entitled to vote at any meeting of the Association. Such person shall be known (and is hereinafter referred to) as a "Voting Member." If a Unit is owned by more than one person, the owners of said Unit shall designate in writing one of them as the Voting Member, or in the case of a Corporate Unit Owner, an officer or employee thereof shall be designated in writing as the Voting Member. The designation of the Voting Member shall be made as provided by and subject to the provisions and restrictions set forth in the By-Laws. The total number of votes shall be equal to the total number of Units in the Condominium and each Unit shall have one (1) equal vote in the Association. If one individual owns two (2) Units, he shall have two (2) votes. The vote of a Unit is not divisible.

VI.

COMMON EXPENSE AND COMMON SURPLUS

The Common Expenses of the Condominium shall be shared by the Unit Owners, as specified and set forth in this Declaration and in Exhibit "C" to this Declaration. The foregoing ratio of sharing Common Expenses and Assessments shall remain, regardless of the purchase price of the Condominium Parcels, their location, or the square footage included in each Unit.

Any Common Surplus of the Association shall be owned by each of the Unit Owners in the same proportion as their percentage or fractional ownership interest in the Common Elements. Any interest in the Common Surplus shall be deemed to be conveyed or encumbered of the Unit. Any attempt to convey, encumber or hypothecate an interest in the Common Surplus separate from the Unit shall be null and void.

VII.

METHOD OF AMENDMENT OF DECLARATION

This Declaration may be amended at any regular or special meeting of the members of the Association, called and convened in accordance with the By-Laws, by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total vote of the members of the Association.

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All Amendments shall be recorded and certified as required by the Condominium Act. No Amendment shall change any Unit's ownership interest in the Common Elements of the Condominium or a Unit's proportionate or percentage share of the Common Expenses and ownership of the Common Surplus, nor the voting rights appurtenant thereto, nor materially alter or modify the appurtenances to a Unit, or change the configuration or size of any Unit in any material fashion unless the record owner(s) thereof and all record owners of liens thereon shall join in the execution of the Amendment subject, however, where applicable, to the paramount provisions of the last paragraph in this Article VII. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages, or change the provisions of this Declaration with respect to Institutional First Mortgagees, without the written approval of all Institutional First Mortgagees of record; nor shall the provisions of Article XII of this Declaration be changed without the written approval of all Institutional First Mortgagees of record. Notwithstanding the provisions of this Article VII, the Declaration and Exhibits thereto, where applicable, may be amended for the purposes set forth and pursuant to F.S. 718.104(4)(e), F.S. 718.110(5), and/or F.S. 718.304(1), subject only to the approval of the Board of Directors.

No Amendment shall change or affect any of the rights and privileges of the Developer without the Developer's written approval.

Notwithstanding the other provisions of this Article VII:

A. The Developer reserves the right to change the interior design and arrangement of all Units and to alter the boundaries between Units, as long as the Developer owns the Units so altered; however, no such change shall increase the number of Units or alter the boundaries of the Common Elements, except the party wall between any Units, without amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in Units, as provided in this paragraph, such changes shall be reflected by the amendment of this Declaration with a Survey attached, reflecting such authorized alteration of Units, and said amendment need only be executed and acknowledged by the Developer and any holders of Institutional First Mortgages encumbering the said altered Units. The Survey shall be certified in the manner required by the Condominium Act. If more than one Unit is concerned, the Developer shall apportion between the Units, the shares in the Common Elements appurtenant to the Units concerned, together with apportioning the Common Expenses and Common Surplus of the Units concerned, and such shares of Common Elements, Common Expenses and Common Surplus of the Units concerned shall be duly noted in an amendment of this Declaration.

B. By this Declaration, each Unit Owner and all mortgagees hereby grant unto the Developer (to be exercised at Developer's sole discretion) a limited irrevocable power of attorney to amend this Declaration for the sole purpose of causing the same to comply with any requirement of any governmental agency, including without limitation the Federal Housing Administration (FHA), the Veterans Administration (VA), the Federal National Mortgage Association (FNMA), and/or the Federal Home Loan Mortgage Corporation (FHLMC), which holds a first mortgage or insures to the holder thereof payment of all or a portion of same or otherwise offers insured or guaranteed mortgage programs.

C. No amendment shall change or affect the surface water management system, including the water management portions of the Common Elements, without the prior written approvals of the Lake Worth Water Management District, South Florida Water Management

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District and the Lake Worth Drainage District, which approvals, if granted, shall be attached as an exhibit to any amendment which would have the effect of changing or affecting the surface water management system of the Condominium or the water management portions of the Common Elements, if any, or any property of the Association.

As of the time this Declaration is filed and recorded in the Public Records of Palm Beach County, Florida, some of the proposed buildings and Units therein on the Condominium Property, may not be substantially completed or exist; however, all proposed buildings and Units therein shall be shown and located on Exhibit "B" attached hereto, and said Exhibit "B" shall note thereon which buildings and Units therein are completed as of the date of said Exhibit "B." As a building(s) is substantially completed and the Unit(s) therein are completed, the Developer shall file an Amendment(s) of this Declaration with a Survey attached reflecting the final location, dimensions and size of the then completed building and Unit(s) therein, as required by Section 718.104(4)(e), of the Florida Statutes. Said Amendments need only be executed and acknowledged by the Developer. As to the foregoing Amendment(s) the consent of the Unit Owners, the Association, the owner and holder of any lien encumbering a Unit, or any others, shall not be required. The Developer shall have the right to file one or more Amendments of this Declaration as to the foregoing.

VIII.

BY-LAWS

The operation of the Condominium Property shall be governed by the By-Laws of the Association which are set forth in a document annexed to this Declaration marked Exhibit "E" and made a part hereof.

No modification of or Amendment to the By-Laws of said Association shall be valid unless set forth in or annexed to a duly recorded Amendment to this Declaration. The By-Laws may be amended in the manner provided for therein, but no Amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel(s), or which would change the provisions of the By-Laws with respect to Institutional First Mortgages, without the written approval of all Institutional First Mortgagees of record. No Amendment shall change the rights and privileges of the Developer without the Developer's written approval. Any Amendment to the By-Laws, as provided herein, shall be executed by the parties as required in this Article and in Article VII above, and said Amendment shall be recorded in the Public Records of Palm Beach County, Florida. No amendment to the By-Laws shall change or affect any of the rights and privileges of the Developer without the express written consent of the Developer.

IX.

THE OPERATING ENTITY

The operating entity of the Condominium shall be the Florida Corporation not for profit which is responsible for the operation of this Condominium, said Association being organized and existing pursuant to the Condominium Act. The said Association shall have all of the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association, its Articles of Incorporation, and by Chapter 617 Florida Statutes (a copy of said Articles of Incorporation being annexed hereto as Exhibit "D" and made a part hereof), and all of the

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powers and duties necessary to operate the Condominium as set forth in this Declaration and the By-Laws, as they may be amended from time to time.

Every owner of a Condominium Parcel, whether he has acquired his ownership by purchase, by gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the By-Laws and Articles of Incorporation of the said Association and the provisions of this Declaration. Membership in the Association terminates upon the termination of ownership of a Condominium Parcel in this Condominium.

Lucerne Lakes Golf Colony Condominium Project ("Project"), if fully developed as presently intended, may consist of up to 13 Condominiums and certain Community Properties as set forth in the Community Declaration. If all of the condominiums in the Project are constructed and submitted to condominium ownership, condominiums which will constitute the Project shall be known as Lucerne Lakes Golf Colony Condominium Nos. 1 through 14 (with no condominium being designated as No. 13), respectively. The foregoing statement shall not be deemed a representation by the Developer nor shall the Developer be deemed to have contracted or represented that all or any of the other 12 condominiums afore-described will be constructed and submitted to condominium ownership. Accordingly, the Developer hereby reserves the right, at its option and sole discretion, to develop all or any part of the remaining property in the Project outside the scope of (and either consistent or inconsistent with) the presently contemplated Project. It is presently contemplated that if developed, each of the respective condominiums (Lucerne Lakes Golf Colony Condominium Nos. 1 through 14 (exclusive of 13)) shall be operated by a separate Florida corporation not for profit acting as a condominium association.

ASSESSMENTS

A. The Association, through its Board of Directors, shall have the power to fix and determine from time to time the sum or sums necessary and adequate to provide for the Common Expenses of the Condominium Property, and such other sums as are specifically provided for in this Declaration and Exhibits. The procedure for the determination of all such Assessments shall be as set forth in the By-Laws of the Association and this Declaration, and the Exhibits. The Board of Directors shall adopt a budget for the Common Expenses of the Condominium for the coming fiscal or calendar year in such amount as the Board determines is necessary or desirable and during a fiscal or calendar year, said Board may increase the Assessments for Common Expenses of the Condominium and/or levy a special assessment for Common Expenses in such amount as the Board determines is necessary or desirable. Unit Owners shall also be responsible for assessments levied and determined by the Community Association as provided under Article XXI of this Declaration and the Community Declaration. A portion of the Common Expenses of this Condominium will be determined by the Master Association as provided under Article XVIII of this Declaration. The Association agrees to and shall include such sums as the Master Association determines in the Budget of the Condominium and to assess the Units therein their applicable share of said sum. The Association agrees to and shall assist the Community Association in collection of Community Association assessments due from Unit Owners.

B. Each Unit Owner, regardless of how title is acquired, shall be liable for all Assessments and other charges coming due while he is the owner of a Unit and shall promptly pay same. In a voluntary conveyance, the grantee shall be jointly and sever-

ally liable with the grantor for all unpaid Assessments against the latter for his share of the Common Expenses and other charges up to the time of such voluntary conveyance. Liability for Assessments and other charges may not be avoided by abandonment of a Unit, or by waiver of the use of any Common Elements, the Community Properties, or other property which an owner is entitled to use or enjoy. Regular assessments shall be due and payable monthly on the first of each month.

C. The Common Expenses shall be assessed against each Condominium Parcel Owner, as provided for in Article VI of this Declaration.

D. Assessments and installments that are unpaid for over ten (10) days after due date shall bear interest at the rate of fifteen (15%) percent per annum from due date until paid, and at the sole discretion of the Board of Directors, a late charge of \$25.00 per month shall be due and payable. Regular assessments shall be due and payable monthly on the first of each month. In the event a Unit Owner is thirty (30) days or more late in the payment of any Assessment or charge due to the Association from the Unit Owner of whatsoever nature or kind, the Board of Directors in its sole discretion may accelerate the remaining monthly installments and other assessments and charges for the fiscal year and such installments, assessments and charges may be included in the liens provided herein. Although such acceleration may be made without notice to the Unit Owner at the discretion of the Board of Directors, notice of any claim of lien filed by the Association or its authorized agent, if any, shall contain the full amount due to the Association (whether or not upon an accelerated basis) at the time of filing of such claim of lien. Notwithstanding the foregoing, however, failure to include the full amount due to the Association shall not preclude the Association from subsequently filing an amended claim of lien to include such omitted amounts and the Association shall not be deemed to have waived any rights or remedies it may have with respect to such sums. In the event the Unit Owner enters a new fiscal year being thirty (30) days or more in default of the payment of any installment, assessment or charge due during any previous fiscal year, the Board of Directors may accelerate all then known remaining monthly installments for Assessments, special assessments and other charges which are due for the fiscal year in which the Association is entering. The remedies provided herein shall be nonexclusive and cumulative and shall not exclude any other remedy available to the Association by this Declaration, law or otherwise.

E. The Association shall have a lien on each Condominium Parcel for unpaid Assessments and other charges, together with interest thereon, against the Unit Owner of such Condominium Parcel, together with a lien on all tangible personal property located within said Unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorney's fees, including fees on appeal, incurred by the Association incident to the collection of such Assessments or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the Unit Owner and secured by such lien. The Board of Directors may take such action as it deems necessary to collect Assessments and other charges by personal action or by enforcing and foreclosing said lien, and may settle the same if deemed in its best interests. Said lien shall be effective as and in the manner provided for by the Condominium Act, and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose

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a lien, and to apply as a cash credit against its bid all sums due, as provided herein, covered by the lien enforced. In case of such foreclosure, the Unit Owner shall be required to pay a reasonable rental for the Condominium Parcel for the period of time said parcel is occupied by the Unit Owner or anyone by, through or under said Unit Owner, and Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the Unit Owner and/or occupant.

F. Where the holder of a first mortgage of record, or other purchaser of a Condominium Unit, obtains title to a Condominium Parcel as a result of foreclosure of the first mortgage, or when an Institutional First Mortgagee of record accepts a Deed to said Condominium Parcel in lieu of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the shares of Common Expenses or Assessments by the Association pertaining to such Condominium Parcel, or chargeable to the former Unit Owner of such Parcel, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such Deed in lieu of foreclosure unless such share is secured by a claim of lien for Assessments that is recorded prior to the recording of the foreclosed mortgage or the unrecorded mortgage where a Deed in lieu of foreclosure is obtained. Such unpaid share of Common Expenses or Assessments shall be deemed to be Common Expenses collectable from all of the Unit Owners, including such acquirer, his successors and assigns.

G. Any person who acquires an interest in a Unit except through foreclosure of a first mortgage of record or by virtue of an Institutional First Mortgagee accepting a Deed to a Condominium Parcel in lieu of foreclosure, as specifically provided hereinabove, including without limitation persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the Unit or enjoyment of the Common Elements until such time as all unpaid Assessments and other charges due and owing by the former Unit Owners have been paid. The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid Assessments and other charges to the Developer or to any Unit Owner or group of Unit Owners, or to any third party. The provisions of F.S. 718.116(6) which are set forth in Paragraph F of this Article X are paramount to the applicable provisions of this paragraph.

H. Developer guarantees that for a period of one (1) year commencing with the date of the conveyance by the Developer of the first Unit in this Condominium to the first grantee thereof, or at the time unit owners other than the Developer are entitled to elect a majority of the Board of Directors, whichever occurs first, the Assessments for Common Expenses of the Condominium imposed upon Units other than Developer owned Units, shall be in the yearly amount for the applicable Unit as specified in the initial Estimated Operating Budget for Common Expenses of the Condominium and the initial Estimated Operating Budget for the Common Expenses of the Community Association. During the period of said guaranty, the Developer shall pay the amount of Common Expenses incurred during that period and not produced by the Assessments at the guaranteed level receivable from other Unit Owners, as provided herein, and during said period the Developer shall not be required to pay any specific sum for its share of the Common Expenses as to any Units owned by it, provided, however, said Developer shall pay the deficit during said period.

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I. Assessments may include, but shall not be limited to, those charges, penalties and fines against Unit Owners provided in Article VII of the By-Laws of the Association.

J. Each Unit Owner, his heirs, successors and assigns, agrees to make payment to the Community Association of his share of the assessments and monies due pursuant to and in the amount or proportion as specified in the Community Declaration. It shall be mandatory for the Unit Owner to make said payments regardless of whether or not said Unit Owner uses the Community Properties.

XI.

PROVISIONS RELATING TO SALE OR RENTAL OR OTHER ALIENATION OR MORTGAGING OF CONDOMINIUM UNITS

A. SALE OR RENTAL OF UNITS - Association to have First Right of Refusal.

In the event any Unit Owner wishes to sell, rent or lease his Unit, the Association shall have the option to purchase, rent or lease said Unit, upon the same conditions as are offered by the Unit Owner to a third person. Any attempt to sell, rent or lease said Unit without prior offer to the Association shall be deemed a breach of this Declaration and shall be wholly null and void, and shall confer no title or interest whatsoever upon the intended purchaser, tenant or lessee.

Should a Unit Owner wish to sell, lease or rent his Condominium Parcel, he shall, before accepting any offer to purchase, sell or lease or rent, his Condominium Parcel, deliver to the Board of Directors a completed application form and a written notice containing the terms of the offer he has received or which he wishes to accept, the name and address of the person(s) to whom the proposed sale, lease or transfer is to be made, and such

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other information (to be requested within five (5) days from receipt of such notice) as may be required by the Board of Directors. The Board of Directors is authorized to waive any or all of the aforementioned and they shall determine the format of the application form.

The Board of Directors, within ten (10) days after receiving such notice and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or by written notice to be delivered to the Unit Owner's Unit (or mailed to the place designated by the Unit Owner in his notice), designate the Association, or the Association may designate one or more persons then Unit Owners, or any other person(s) satisfactory to the Board of Directors who are willing to purchase, lease or rent, upon the same terms as those specified in the Unit Owner's notice, or object to the sale, leasing or renting to the prospective purchaser, tenant or lessee, for good cause, which cause need not be set forth in the notice from the Board of Directors to the Unit Owner. The Association shall not unreasonably withhold its consent to the prospective sale, rental or lease.

The stated designee of the Board of Directors shall have fourteen (14) days from the date of the notice sent by the Board of Directors within which to make a binding offer to buy, lease or rent, upon the same terms and conditions specified in the Unit Owner's notice. Thereupon, the Unit Owner shall either accept such offer or withdraw and/or reject the offer specified in his notice to the Board of Directors. Failure of the Board of Directors to designate such person(s), or failure of such person(s) to make such offer within the said fourteen (14) day period, or failure of the Board of Directors to object for good cause, shall be deemed consent by the Board of Directors to the transaction specified in the Unit Owner's notice and the Unit Owner shall be free to make or accept the offer specified in his notice and sell, lease or rent said interest pursuant thereto, to the prospective purchaser or tenant named therein, within ninety (90) days after his notice was given.

The consent of the Board of Directors shall be in recordable form, signed by an Executive Officer of the Association and shall be delivered to the purchaser or lessee. Should the Board of Directors fail to act, as herein set forth, and within the time provided herein, the Board of Directors shall, nevertheless, thereafter prepare and deliver its written approval, in recordable form as aforesaid, and no conveyance of title or interest whatsoever shall be deemed valid without the consent of the Board of Directors as herein set forth.

In the event the Unit Owner enters into a lease agreement, said lease will provide (and if it does not so provide, will be deemed to provide) that the Tenant will abide by all rules and regulations of the Association and that said lease is subject to the provisions of the Condominium Act, this Declaration, all Exhibits hereto, and the Rules and Regulations of the Association.

In the event of any violation by the tenant, his family, guests or invitees, of the rules and regulations of the Association or any provision of this Declaration or Exhibits hereto, or any of the other Condominium Documents, such violation shall be deemed a breach of the lease, whether oral or written, under which the tenant holds possession of the Unit and the Association shall be deemed a third party beneficiary of said lease for the purpose of enforcing the rules and regulations and terms and conditions of this Declaration. The tenant and Unit Owner shall jointly and severally be liable to the Association for any damage caused by the tenant, his family, guests or invitees or caused by

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violation by the tenant or his family, guests or invitees of the rules and regulations of the Association, the Condominium Act, this Declaration and Exhibits hereto or any of the Condominium Documents, and such damage may be assessed against the Unit Owner and the Unit shall be subject to the lien right of the Association for unpaid assessments. The Association as the third party beneficiary of said lease (as heretofore provided) shall be permitted in addition to such other remedies as the Association may have, but shall not be obligated, to institute an action for removal of the tenant and all others claiming by, through or under the tenant in the event of a breach of the lease as provided herein.

There shall be no sub-leasing or sub-renting of a Unit Owner's interest by a tenant or any other person.

Notwithstanding anything contained herein to the contrary, no Unit Owner may enter into a lease agreement (if approved as provided herein) for his Unit unless the term of said lease is for a minimum of three (3) months and for a maximum of one (1) year. Furthermore, no Unit may be leased more than twice during any one (1) year period. A renewal or extension of any lease term to the same tenant shall be considered a new lease and approval of the Condominium Association for such new lease shall be required. Any person residing in a Unit in the absence of the Unit Owner shall be a "tenant" and not a "guest" and compliance with this Article XI with respect to leasing shall be required.

Where entities other than natural persons shall be permitted to own a Unit, such entity shall register with and notify the Association in writing of the name of the natural person who shall occupy the Unit. The occupancy of such Unit shall be restricted to such natural person and his or her immediate family and guests for a period of at least three months from the date the Association receives such notice. Thereafter the entity may register another natural person but at all times the occupancy of the Unit shall be restricted to the registered natural person and his or her family for periods of not less than three months; it being the intention that the occupants of any Unit owned by an entity other than a natural person not be changed more often than tenants are permitted to be changed in the event of the leasing of any Unit. In the event the title to a Unit is held in trust or by an entity other than a natural person, the sale, transfer or disposition of the beneficial or legal interest by such trust or entity, as the case may be, will be considered a sale of the Unit for the purposes of this Article XI.

The Association shall have the right to require that a substantially uniform form of lease or sub-lease be used or, in the alternative, the Board of Directors' approval of the lease or sub-lease form to be used shall be required. After approval, as herein set forth, entire Units may be rented provided the occupancy is only by the Lessee, his family and guests. No individual rooms may be rented and no transient tenants may be accommodated.

B. MORTGAGE AND OTHER ALIENATION OF UNITS.

1. A Unit Owner may not mortgage his Unit, nor any interest therein, without the approval of the Association except to an Institutional First Mortgagee, as hereinbefore defined, or the Developer or a designee of the Developer. The approval of any other mortgagee may be upon conditions determined by the Board of Directors and said approval, if granted, shall be in recordable form executed by an Executive Officer of the Association. Where a Unit Owner sells his Unit and takes back a mortgage, the approval of the Association shall not be required.

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2. No judicial sale of a Unit, nor any interest therein, shall be valid, unless: -

(a) The sale is to a purchaser approved by the Association, which approval shall be in recordable form, executed by an Executive Officer of the Association and delivered to the purchaser; or

(b) The sale is a result of a public sale with open bidding.

3. Any sale, mortgage or lease which is not authorized pursuant to the terms of the Declaration shall be void unless subsequently approved by the Board of Directors, and said approval shall have the same effect as though it had been given and filed of record simultaneously with the instrument it approved. Notwithstanding the foregoing, a purchase money mortgage in favor of the Developer is hereby deemed to be an authorized mortgage.

4. The foregoing provisions of this Article XI shall not apply to transfers by a Unit Owner to any member of his immediate family (viz. spouse, children or parents).

The phrase "sell, rent, or lease," in addition to its general definition, shall be defined as including the transferring of a Unit Owner's interest by gift, devise or involuntary or judicial sale.

In the event a Unit Owner dies and his Unit is conveyed or bequeathed to some person other than his spouse, children or parents; or if some other person is designated by the decedent's legal representative to receive the ownership of the Unit or if, under the laws of descent and distribution of the State of Florida, the Unit descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors may, within thirty (30) days of proper evidence or rightful designation served upon the President or any other officer of the Association or within thirty (30) days from the date the Association is placed on actual notice of the said devise or descendant, express its refusal or acceptance of the individual or individuals so designated as the owner of the Condominium Parcel.

If the Board of Directors shall consent, ownership of the Condominium Parcel may be transferred to the person or persons so designated who shall, thereupon, become the owner(s) of the Condominium Parcel, subject to the provisions of this Declaration and the Exhibits.

If, however, the Board of Directors shall refuse to consent, then the members of the Association shall be given an opportunity during thirty (30) days next after said last above mentioned thirty (30) days, within which to purchase or to furnish a purchaser for cash, the said Condominium Parcel, at the then fair market value thereof. Should the parties fail to agree on the value of such Condominium Parcel, the same shall be determined by an Appraiser appointed by the Chief Judge of the Circuit Court in and for the area wherein the Condominium is located upon ten (10) days' notice, on the petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons, or the legal representative of the deceased owner, out of the amount realized from the sale of such Condominium Parcel. In the event the members of the Association do not exercise the privilege of purchasing or furnishing a purchaser for said Condominium Parcel within such period and upon such terms, the person or persons so designated may then, and

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only in such event, take title to the Condominium Parcel; or, such person or persons, or the legal representative of the deceased owner may sell the said Condominium Parcel, and such sale shall be subject in all other respects to the provisions of this Declaration and Exhibits.

5. The liability of the Unit Owner under these covenants shall continue, notwithstanding the fact that he may have leased, rented or sub-let said interest as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration, the By-Laws and Articles of Incorporation of the Association as well as the provisions of the Condominium Act.

6. Special Provisions as to the Sale, Leasing, Mortgaging or other Alienation by Certain Mortgagees and Developer.

(a) An Institutional First Mortgagee holding a mortgage on a Condominium Parcel, upon becoming the owner of a Condominium Parcel through foreclosure, or by Deed in lieu of foreclosure, or whosoever shall become the acquirer of title at the foreclosure sale of an Institutional First Mortgage or the lien for Common Expenses, shall have the unqualified right to sell, lease or otherwise transfer said Unit, including the fee ownership thereof, and/or to mortgage said Parcel without prior offer to the Board of Directors and without the prior approval of the said Board of Directors. The provisions of Sections A and B, No.'s 1-5 of this Article XI shall be inapplicable to such Institutional First Mortgagee, or acquirer of title, as afore-described in this paragraph.

(b) The provisions of Sections A and B, No.'s 1-5, of this Article XI shall be inapplicable to the Developer. The said Developer is irrevocably empowered in its sole discretion to sell, lease, rent and/or mortgage Condominium Parcels or Units and portions thereof to any purchaser, tenant or mortgagee. The Developer shall have the right to transact any business necessary to consummate sales or rentals of Units, or portions thereof, including but not limited to the right to maintain models, have signs, use the Common Elements, and to show Units. The sales office(s), signs, and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer. The Developer may use a Unit(s) as a sales office and/or model apartment(s). The term "Developer" as used in this paragraph includes all Developer-related entities.

XII.

INSURANCE PROVISIONS

A. LIABILITY INSURANCE.

The Association shall obtain Public Liability and Property Damage Insurance covering all of the Common Elements of the Condominium and insuring the Association and the Unit Owners as its and their interests appear, in such amounts and providing such coverage as the Board of Directors may determine from time to time. Premiums for the payment of such insurance shall be paid by the Board of Directors, and such premiums shall be charged as a Common Expense.

B. CASUALTY INSURANCE.

1. Purchase of Insurance. The Association shall obtain Fire and Extended Coverage Insurance and Valdalism and Malicious Mischief Insurance, insuring all of the insurable improvements within the Condominium (including the fixtures and other equipment in the Units initially installed by the Develop-

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er, but not including personal property supplied or installed by Unit Owners or others, nor the carpeting in the Units, nor, where applicable, the screening on any screened portion of a Unit or on a Limited Common Element which is reserved for the exclusive use of a certain Unit) and all personal property owned by the Association or included in the Common Elements, in and for the interests of the Association, all Unit Owners and their mortgagees, as their interests may appear, in a company acceptable to the standards set by the Board of Directors in an amount equal to the maximum insurable replacement value of the improvements without deduction for depreciation but exclusive of excavation and foundation costs and in an amount equal to the value of the personal property owned by the Association or included in the Common Elements, as determined annually by the Board of Directors. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association and shall be charged as a Common Expense. The insurance carrier(s) must be good and responsible company(s) authorized to do business in the State of Florida.

The Institutional First Mortgagee owning and holding the greatest dollar amount of Institutional First Mortgages against the Condominium Parcels shall have the right to approve the Policies and the company or companies who are the insurers under the insurance placed by the Association as herein provided, and the amount thereof, and the further right to approve the Insurance Trustee. In the absence of the action of said Mortgagee, then the Association shall have said right without qualification.

2. Loss Payable Provisions - Insurance Trustee. All policies purchased by the Association shall be for the benefit of the Association and all Unit Owners and their mortgagees as their interests may appear. Such policies shall be deposited with the Insurance Trustee (as hereinafter defined), who must first acknowledge that the Policies and any proceeds therefrom will be held in accordance with the terms hereof. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee, which may be the Association, or any bank in the State of Florida with trust powers as may be approved by the Board of Directors, which Trustee is herein referred to as the "Insurance Trustee"; subject however, to the paramount right of the Institutional First Mortgagee specified in the preceding paragraph to approve the Insurance Trustee. The Insurance Trustee shall not be liable for the payment of premiums nor for the failure to collect any insurance proceeds, nor for the form or content of the policies. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Association and the Unit Owners and their respective mortgagees in the following shares, but such shares need not be set forth upon the records of the Insurance Trustee:-

(a) Common Elements. Proceeds on account of damage to Common Elements - an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.

(b) Condominium Units. Proceeds on account of Condominium Units shall be in the following undivided shares:-

(i) Partial Destruction - when Units are to be repaired and restored - for the owners of the damaged Units, in proportion to the cost of repairing the damage suffered by each Unit Owner.

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(ii) Total Destruction - total destruction of Condominium improvements, or where "very substantial" damage occurs and the Condominium improvements are not to be restored, as provided hereinafter in this Article, for the owners of all Condominium Units - each owner's share being in proportion to his share in the Common Elements appurtenant to his Unit.

(c) Mortgagees. In the event a Mortgagee Endorsement has been issued as to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owners as their interests may appear, provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

3. Distribution of Proceeds. Proceeds of Insurance Policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners and expended or disbursed after first paying or making provision for the payment of the expenses of the Insurance Trustee in the following manner:

(a) Reconstruction or Repair. If the damage for which the proceeds were paid is to be repaired and restored, the remaining proceeds shall be paid to defray the cost thereof, as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners - all remittance to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by said mortgagee. Said remittances shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt.

(b) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the beneficial owners; remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee. Said remittances shall be made solely to an Institutional First Mortgagee when requested by such Institutional First Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment of its mortgage debt. In the event of loss or damage to personal property belonging to the Association, and should the Board of Directors determine not to replace such personal property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus, in the manner elsewhere stated herein.

(c) Certificate. In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association as to the names of the Unit Owners and their respective shares of the distribution, approved in writing by an Attorney authorized to practice law in the State of Florida, a Title Insurance Company or Abstract Company authorized to do business in the State of Florida. Upon request of the Insurance Trustee, the Association shall forthwith deliver such Certificate.

4. Loss Within a Single Unit. If loss shall occur within a single Unit or Units without damage to the Common Elements and/or the party wall between units, the provisions of Article XII.B.5 below shall apply.

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5. Loss Less than "Very Substantial". Where a loss or damage occurs within a Unit or Units or to the Common Elements, or to any Unit or Units and the Common Elements, but said loss is less than "very substantial," (as hereinafter defined), it shall be obligatory upon the Association and the Unit Owner(s) to repair, restore and rebuild the damage caused by said loss. Where such loss or damage is less than "very substantial":-

(a) The Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) If the damage or loss is limited to the Common Elements with no, or minimum, damage or loss to any individual Units, and if such damage or loss to the Common Elements is less than \$5,000.00, the insurance proceeds shall be endorsed by the Insurance Trustee over to the Association, and the Association shall promptly contract for the repair and restoration of the damage.

(c) If the damage or loss involves individual Units encumbered by Institutional First Mortgages, as well as the Common Elements or if the damage is limited to the Common Elements alone, but it is in excess of \$5,000.00, the insurance proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property upon the written direction and approval of the Association provided, however, that upon the request of an Institutional First Mortgagee, the written approval shall also be required of the Institutional First Mortgagee owning and holding the greatest dollar amount of institutional first mortgages against the Condominium Parcels. Should written approval be required, as aforesaid, it shall be said Mortgagee's duty to give written notice thereof to the Insurance Trustee. The Insurance Trustee may rely upon the Certificate of the Association and the aforesaid Institutional First Mortgagee's written approval, if said Institutional First Mortgagee's approval is required, as to the payee and the amount to be paid from said proceeds. All payees shall deliver paid bills and waivers of mechanic's liens to the Insurance Trustee and execute any Affidavit required by law or by the Association, the aforesaid Institutional First Mortgagee and the Insurance Trustee, and deliver same to the Insurance Trustee. In addition to the foregoing, the Institutional First Mortgagee whose approval may be required, as aforesaid, shall have the right to require the Association to obtain a Completion, Performance and Payment Bond in such form and amount and with a Bonding Company authorized to do business in the State of Florida, as is acceptable to the said Mortgagee.

(d) Subject to the foregoing, the Board of Directors shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(e) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof if the work has actually been done), the Association shall promptly, upon determination of the deficiency, levy a special assessment against all Unit Owners in proportion to the Unit Owner's share in the Common Elements, for that portion of the deficiency as is attributable to the cost of restoration of the Common Elements, and against the individual owners for that portion of the deficiency as is attributable to his individual Unit; provided, however, that if the Board of Directors finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individual damaged Unit(s), then the Board of Directors shall levy an assessment for the total deficiency against all of the Unit Owners in proportion to the Unit Owner's share in the Common

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Elements, just as though all of said damage had occurred in the Common Elements. The special assessment funds shall be delivered by the Association to the Insurance Trustee, and added by said Insurance Trustee to the proceeds available for the repair and restoration of the property.

(f) Notwithstanding any of the terms and provisions contained in this Declaration to the contrary, the Association, Unit Owner, or any other party, shall not have priority over the rights of any institutional First Mortgagee of the applicable Unit, pursuant to its mortgage, in the case of a distribution to the owner of such Unit of insurance proceeds; therefore, an Institutional First Mortgagee whose mortgage so provides shall, in the event of a loss or damage, have the right to require the application of insurance proceeds to the payment of its mortgage. To the extent that any insurance proceeds are required to be paid over to such Mortgagee, the Unit Owner shall be obliged to replenish the funds so paid over, and said Unit Owner and his Unit shall be subject to special assessment for such sum.

6. "Very Substantial" Damage. As used in this Declaration, or any other context dealing with this Condominium, the term "very substantial" damage, shall mean loss or damage whereby three-fourths (3/4ths) or more of the total unit space in the Condominium is rendered untenable, or loss or damage whereby seventy-five (75%) percent or more of the total amount of insurance coverage (placed as per Article XII.B.1) becomes payable. Should such "very substantial" damage occur, then:-

(a) The Board of Directors shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof.

(b) The provisions of Article XII.B.5(f) shall be applicable to any Institutional First Mortgagee who shall have the right, if its mortgage so provides, to require application of the insurance proceeds to the payment or reduction of its mortgage debt. The Board of Directors shall ascertain as promptly as possible, the net amount of insurance proceeds available for restoration and repair. No mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

(c) Thereupon, a membership meeting shall be called by the Board of Directors to be held not later than sixty (60) days after the casualty to determine the wishes of the membership with reference to the termination of the Condominium, subject to the following:-

(i) If the net insurance proceeds available for restoration and repair are sufficient to cover the cost thereof so that no special assessment is required, then the Condominium Property shall be restored and repaired unless two-thirds (2/3rds) of the total vote of the Unit Owners shall vote to terminate this Condominium, in which case the Condominium Property shall be removed from the provisions of the law by the recording of an instrument terminating this Condominium in the Public Records of Palm Beach County, Florida, which said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its President and Secretary. The termination of the Condominium shall become effective upon the recording of said instrument and the Unit Owners shall thereupon become owners as tenants in common in the property, i.e., the real, personal, tangible and intangible personal property, and any remaining structures of the Condominium and their undivided interests in the property shall be the

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same as their undivided interests in the Common Elements of this Condominium prior to its termination, and the mortgages and liens upon Condominium Parcels shall become mortgages and liens upon the undivided interests of such tenants in common with the same priority as existed prior to the termination of the Condominium.

(ii) If the net insurance proceeds available for restoration and repair are not sufficient to cover the costs thereof so that a special assessment will be required, and if a majority of the total votes of the members of the Association shall vote against such special assessment and to terminate this Condominium, then it shall be so terminated and the Condominium Property removed from the provisions of the law as set forth in paragraph 6(c)(1) above, and the Unit Owners shall be tenants in common in the property in such undivided interests - and all mortgages and liens upon the Condominium Parcels shall encumber the undivided interests of such tenants in common, as is provided in said Paragraph 6(c)(1) above. In the event a majority of the total votes of the members of the Association vote in favor of special assessments, the Association shall immediately levy such assessment and, thereupon, the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions of Paragraph 5(c) and (d) above. The special assessment funds shall be delivered by the Association to the Insurance Trustee and added by said Trustee to the proceeds available for the restoration and repair of the property. The proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, as provided in Paragraph 5(c) above.

(iii) Notwithstanding the foregoing, in the event Unit Owners become tenants in common through termination of the Condominium as provided in subparagraphs c(i) and c(ii) hereof, each Unit Owner shall have the right to the exclusive possession and use of the Unit previously owned by such Unit Owner and the conveyance of such former Unit Owner's interest as tenant in common shall also include the right to the exclusive use and possession of the Unit.

(d) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, it is agreed that such a finding made by the Board of Directors shall be binding upon all unit owners.

7. Surplus. It shall be presumed that the first monies disbursed in payment of costs of repair and restoration shall be from the insurance proceeds; and if there is a balance in the funds held by the Insurance Trustee after the payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere provided herein.

8. Certificate. The Insurance Trustee may rely upon a Certificate of the Association certifying as to whether or not the damaged property is to be repaired and restored. Upon request of the Insurance Trustee, the Association shall forthwith deliver such Certificate.

9. Plans and Specifications. Any repair and restoration must be substantially in accordance with the Plans and Specifications for the original building(s), or as the building(s) was last constructed, or according to the plans approved by the Board of Directors, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all Institutional First Mortgagees shall also be required.

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10. Association's Power to Compromise Claim. The Association is hereby irrevocably appointed Agent for each Unit Owner for the purpose of compromising and settling claims arising under insurance policies purchased by the Association and to execute and deliver releases therefor upon the payment of claims.

11. Institutional Mortgagee's Right to Advance Premiums. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the Institutional Mortgagee owning and holding the greatest dollar amount of institutional first mortgages against the Condominium Parcels shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, said mortgagee shall be subrogated to the assessment and lien rights of the Association as against the individual Unit Owners for the payment of such item of Common Expense.

Notwithstanding the foregoing, any Institutional First Mortgagee(s) owning and holding a mortgage on a Unit in this Condominium shall have the right to require the Association and its members, if applicable, to obtain certain type(s) of insurance as it may require due to any governmental law and/or regulation and the like, including flood insurance under the provisions of the Flood Disaster Protection Act of 1973 and amendments thereto and regulations applicable thereto. The Association shall obtain and, where applicable, cause its members to obtain such insurance forthwith upon notification by said Institutional First Mortgagee(s) and said Association shall exhibit evidence to said Mortgagee(s) that such insurance has been obtained and the Association has paid such premiums when due and/or caused its members to pay such premiums when due; and in the event the Association fails to obtain such insurance and/or cause its members to pay such premiums when due and to exhibit proof of the foregoing to said Mortgagee(s) forthwith, said Mortgagee(s) shall have the right at its option to order insurance policies on behalf of the Association and, if applicable, its members as to the foregoing, and said Institutional First Mortgagee(s) may file the necessary applications for said insurance on behalf of the Association and if required on behalf of the Unit Owners, and said Mortgagee(s) may advance such sums as are required to maintain and/or procure such insurance and to the extent of the money so advanced, said Mortgagee(s) shall be subrogated to the assessment and lien rights of the Association as against the individual Unit Owners for the payment of the foregoing; and said Mortgagee(s) shall also have a cause of action not only against the individual Unit Owners but also against the Association to enforce the provisions herein and the Association and, where applicable, the individual members, i.e., Unit Owners, shall be liable to said Mortgagee(s) for the funds it has advanced to maintain and/or procure such insurance and for its reasonable attorney's fees and costs incurred by it in collecting the foregoing, as well as any other damages it may have incurred as a result of the failure of the Association and, where applicable, the individual members to comply with the terms and provisions herein. The rights of an Institutional First Mortgagee, as provided in this paragraph, shall also apply to the Institutional First Mortgagee or Mortgagees referred to in the first paragraph under this Article XII.B.11.

C. WORKMEN'S COMPENSATION POLICY - to meet the requirements of law.

D. Such other insurance as the Board of Directors shall determine from time to time to be desirable. The Board of Directors shall have the right to obtain insurance policies with such

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deductible clauses and amounts as they determine notwithstanding the specific insurance requirements of this Article XII.

E. Each individual Unit Owner shall be responsible for purchasing, at his own expense, liability insurance to cover accidents occurring within his own Unit and for purchasing insurance upon his own personal property.

F. If available, and where applicable, the Association shall endeavor to obtain policies which provide that the Insuror waives its right of subrogation as to any claims against Unit Owners, the Association, their respective servants, agents and guests. Insurance Companies authorized to do business in the State of Florida shall be affirmatively presumed to be good and responsible companies and the Board of Directors shall not be responsible for the quality or financial responsibility of the Insurance Companies provided same are licensed to do business in the State of Florida.

XIII.

USE AND OCCUPANCY

The owner of a Unit shall occupy and use his Unit as a single family private dwelling for himself and the members of his family and his social guests, and for no other purpose. The provisions of Article XI are paramount to the foregoing provisions. Condominium Units shall not be used for any type of business or commercial purpose, unless specifically provided in this Declaration.

Occupancy of a Unit on a permanent basis is limited to two (2) individuals per bedroom and to persons over the age of sixteen (16) years, however, individuals in excess of this number or under the age of sixteen (16) years may be permitted to visit and temporarily reside in a unit in this Condominium for periods not to exceed sixty (60) days in total in any calendar year, with the prior written consent of the Condominium Association.

The Unit Owner shall not permit or suffer anything to be done or kept in his Unit which will increase the rate of insurance on the Condominium Property, or which will obstruct or interfere with the rights of other Unit Owners, or annoy them by unreasonable noises, or otherwise, nor shall the Unit Owners commit or permit any nuisance, immoral or illegal acts in or about the Condominium property.

No pets of any type or nature shall be permitted to be kept in a Unit or on the Condominium Property or the Community Properties.

The Unit Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, screens or windows of the Units, buildings nor the Limited Common Elements or the Common Elements; nor shall they place any furniture or equipment outside their Unit nor shall they cause awnings or storm shutters, screens and enclosures and the like to be affixed or attached to any Units, Limited Common Elements or Common Elements (unless originally installed by the Developer), nor shall they plant any flowers, plants, greenery or shrubbery in the Common Elements or Limited Common Elements, except with the prior written consent of the Board of Directors, and further when approved, subject to the rules and regulations adopted by the Board of Directors. No clothes line or similar device shall be allowed on any portion of the Condominium Property, nor shall clothes be hung anywhere except where designated by the Board of Directors of the Association.

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No person shall use the Common Elements or the Limited Common Elements, or a Unit or the Condominium Property, in any manner contrary to or not in accordance with such Rules and Regulations pertaining thereto, as are promulgated by the Association from time to time.

XIV.

MAINTENANCE AND ALTERATIONS

A. The Association may enter into a contract with any firm, person or corporation or may join with other Condominium Associations and entities in contracting for the maintenance and repair of the Condominium Property and other type properties, and may contract for or may join with other Condominium Associations in contracting for the management of the Condominium Property and other type properties, and may delegate to the contractor or manager certain powers and duties of the Association as may be permitted under the Act except such as are specifically required by this Declaration or by the By-Laws to have the approval of the Board of Directors or the membership of the Association.

B. There shall be no alterations or additions to the Common Elements or Limited Common Elements of this Condominium where the cost thereof is in excess of twenty (20%) percent of the annual budget of this Condominium for Common Expenses as to this Condominium, except as authorized by the Board of Directors and approved by not less than seventy-five (75%) of the total vote of the Unit Owners of this Condominium. The cost of the foregoing shall be assessed as Common Expenses. Where any alteration or additions as aforescribed - i.e., as to the Common Elements or Limited Common Elements of this Condominium are exclusively or substantially exclusively for the benefit of the Unit Owner(s) requesting same, then the cost of such alterations or additions shall be assessed against and collected solely from the Unit Owner(s) exclusively or substantially exclusively benefiting therefrom, and the assessment shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors. Where such alterations or additions exclusively or substantially exclusively benefit Unit Owners requesting same, said alterations or additions shall only be made when authorized by the Board of Directors, and approved by not less than seventy-five (75%) percent of the total vote of the Unit Owners exclusively or substantially exclusively benefiting therefrom, and where said Unit Owners are ten (10) or less, the approval of all but one shall be required.

Where the approval of Unit Owners for alterations to the Common Elements or Limited Common Elements of this Condominium is required in this Declaration and Exhibits, the approval of Institutional First Mortgagees whose mortgages encumber Condominium Parcels in this Condominium representing not less than fifty-five (55%) percent of the total unpaid dollar indebtedness as to principal on said Parcels at said time shall also be required.

C. Each Unit Owner agrees as follows:

1. To maintain in good condition and repair his Unit and all interior surfaces within his Unit, and the entire interior of his Unit (including, where applicable, the Limited Common Element of the Unit); and to maintain and repair the fixtures and equipment therein, which includes but is not limited to the following, where applicable - air-conditioning heating unit, including condenser and all appurtenances thereto wherever situated, and hot-water heater, refrigerator, range, oven, and all other appliances, drains, plumbing fixtures and connections, sinks, all plumbing and water-lines within the Unit, electric

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panels, electric wiring and electric outlets and fixtures within the Unit; interior doors, windows, screening, glass of any type and wherever located, all exterior doors (except the painting of the exterior of exterior doors shall be a Common Expense of the Condominium) and pay for his electricity and telephone. Water and sewage shall be a part of the Common Expenses if billed to the Association as to all Units in the Condominium; however, if individual bills are sent to each Unit by the party furnishing such water and sewage service, each Unit Owner shall pay said bill for his said Unit individually. As to all Units, the entire floor in such Units except the kitchen and bathrooms are to be carpeted. All carpeting shall be installed over padding of such quality as is designated by the Board of Directors. Notwithstanding the foregoing, the Board of Directors may authorize the use of flooring, other than carpeting, which meets accoustical standards of the Board of Directors, provided written consent of the Board of Directors is first obtained as to the type of flooring, manner of installation and location of the type flooring within a Unit. The cost of maintaining and replacing carpeting or other flooring within a Unit shall be borne by the owner of said Unit. The Unit Owner shall replace lights within a Unit and lights affixed to a Unit by the same color and bulb wattage as the Board of Directors designates.

2. Not to make or cause to be made any addition or alteration, whether structural or otherwise, to his Unit or to the Limited Common Elements or Common Elements without the prior written approval of the Board of Directors.

3. To make no alterations, decoration, repair, replacement or change of the Common Elements, Limited Common Elements, or to any outside or exterior portion of the building(s), whether within a Unit or part of the Limited Common Elements or Common Elements without the prior written consent of the Board of Directors. Unit Owners may use such contractor or sub-contractor as are approved by the Board of Directors and said parties shall comply with all Rules and Regulations adopted by the Board of Directors. The Unit Owner shall be liable for all damages to another Unit, the Common Elements of the Condominium Property caused by the Unit Owner's contractor, sub-contractor or employee, whether said damages are caused by negligence, accident or otherwise.

4. To allow the Board of Directors or the agents or employees of the Association to enter into any Unit or Limited Common Element for the purpose of maintenance, inspection, repair, replacement of the improvements within the Units, Limited Common Elements or the Common Elements, or to determine in case of emergency, circumstances threatening Units, Limited Common Elements or the Common Elements, or to determine compliance with the provisions of this Declaration and Exhibits.

5. To show no signs, advertisements or notices of any type on the Common Elements, Limited Common Elements, or his Unit, and to erect no exterior antenna or aerials, except as consented to by the Board of Directors. The foregoing includes signs within a Unit which are visible from outside the Unit and the foregoing includes posters, advertisements or circulars upon the Condominium Property vehicles parked upon the Condominium Property and distributing advertisements or circulars to Units within the Condominium.

D. In the event the owner of a Unit fails to maintain the said Unit and Limited Common Elements, as required herein, or makes any alterations or additions without the required written consent, or otherwise violates or threatens to violate the provisions of the Declaration or any of the Condominium Documents, the

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Association shall have the right to proceed in Court for an injunction to seek compliance with the provisions hereof. In addition thereto, the Association shall have the right to levy an Assessment against the owner of a Unit, and the Unit for such necessary sums to remove any unauthorized addition or alteration and to restore the property to good condition and repair and/or to assess a penalty or fine as provided in Article VII of the By-Laws. Said Assessment shall have the same force and effect as all other special assessments. The Association shall have the further right to have its employees or agents, or any sub-contractors appointed by it, enter a Unit and Limited Common Element at all reasonable times to do such work as is deemed necessary by the Board of Directors to enforce compliance with the provisions hereof. All remedies of the Association or Community Association provided in this Declaration or any of the other Condominium Documents or the Community Declaration shall be non-exclusive and cumulative and the use or existence of one or more shall not exclude any other remedy available by any of the Condominium Documents, the Act, or otherwise.

E. The Association shall determine the exterior color scheme of the building(s) and all exteriors, and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window or any exterior surface, or replace anything thereon or affixed thereto, without the written consent of the Association.

F. The Association shall be responsible for the maintenance, repair and replacement of the Common Elements and all portions of the Condominium Property not required to be maintained, repaired and/or replaced by the Unit Owner(s). The foregoing shall include but is not limited to roadways, concrete areas, macadam areas, drainage, water and sewer lines and appurtenances thereto located upon the Condominium Property. Notwithstanding the Unit Owner's duty of maintenance, repair, replacement and his other responsibilities as to his Unit, as hereinbefore provided in this Declaration, the Association may (but shall not be obligated to) enter into an agreement with such firms or companies as it may determine to provide certain services and/or maintenance for and on behalf of the Unit Owners in the Condominium whereby maintenance and service are provided on a regularly scheduled basis for air-conditioning maintenance and service and appurtenances thereto, exterminating services and other types of maintenance and services, including a Master Television Antenna system, CATV or other allied or similar type use (subject to Article XIX, Section U, of this Declaration), as the Association deems advisable and for such period and on such basis as it determines. Said agreements shall be on behalf of all Unit Owners and the monthly assessments due from each Unit Owner for Common Expenses shall be increased by such sum as the Association deems fair and equitable under the circumstances in relation to the monthly charge for said maintenance or service. Each Unit Owner shall be deemed a party to said agreement with the same force and effect as though said Unit Owner had executed said agreement and it is understood and agreed that the Association shall execute said agreements as the agent for the Unit Owners. The aforesaid Assessment shall be deemed to be an Assessment under the provisions of Article X of this Declaration.

XV.

LIMITED COMMON ELEMENTS

Any expense for the maintenance, repair or replacement relating to Limited Common Elements shall be treated as and paid for as part of the Common Expenses of the Association, unless otherwise specifically provided in this Declaration and Exhibits.

Should said maintenance, repair or replacement be caused by the negligence or misuse by a Unit Owner, tenant or each of their respective family, guests, servants and invitees, he shall be responsible therefor, and the Association shall have the right to levy an Assessment against the owner of said Unit, which Assessment shall have the same force and effect as all other special assessments. Where the Limited Common Elements consists of a balcony, the Unit Owner who has the right to the exclusive use of said balcony shall be responsible for the maintenance, care and preservation of the paint and surface of the interior parapet walls, including floor and ceiling, within said exterior balcony, and screening thereon, and the doors and/or sliding glass door(s) in the entrance way(s) to said balcony, and the wiring, electrical outlets and fixtures thereon, if any, and the replacement of light bulbs, if any. The term balcony as used herein shall also mean terrace or patio. The replacement of all light bulbs, if any, affixed to the exterior wall of a Unit shall be accomplished by and at the cost and expense of the applicable Unit Owner. Where there are fixed and/or sliding glass doors leading out of a Unit, the cost of maintaining and repairing said fixed and/or sliding glass door(s) shall be borne by the Unit Owner of the applicable Unit.

The Association shall assign one parking space to each Unit and shall have the further right to change the assignment of such parking space from time to time as it deems advisable in its sole discretion. The parking spaces are shown and designated on Exhibit "B" attached hereto. Each parking space shall be numbered and/or lettered; however, said numbers and/or letters shall not appear on Exhibit "B" and the parking space assignments, if any, shall not be recorded in the Public Records. Parking spaces shall be used as determined by and pursuant to the Rules and Regulations adopted by the Board of Directors of the Association. The Developer shall have the rights conferred upon the Association in this paragraph until the 31st day of December, 1986; however, the Developer may terminate said right prior thereto at its option, provided said right shall terminate at such time as the Developer is no longer the owner of a Unit in this Condominium. All parking spaces which are not assigned from time to time by the Association, or Developer as provided herein, shall be guest parking spaces, and shall be used as determined by the Board of Directors of the Association. The cost of maintaining said parking areas, including the concrete bumpers thereon, where applicable, shall be a Common Expense; however, should a parking area or concrete bumper be required to be maintained repaired or replaced as a result of the neglect or misuse by a Unit Owner, his family, guests, servants, licensees, invitees, or occupants of, his Unit, said applicable Unit Owner shall be responsible for the cost thereof and the Association shall have the right to levy an Assessment against the owner of said Unit for same, which Assessment shall have the same force and effect as all other special assessments.

XVI.

TERMINATION

This Condominium may be terminated in the manner provided by the Condominium Act.

A. Destruction. If it is determined in the manner elsewhere provided that the Condominium should be terminated because of major damage, the Condominium plan of ownership thereby will be terminated without agreement.

B. Agreement. The Condominium may be terminated by approval in writing by all record owners of Units and all record owners of mortgages and other liens on Units.

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C. Certificate. The termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts affecting the termination, which certificate shall become effective upon being recorded in the Public Records of Palm Beach County, Florida.

D. Shares of Owners after Termination. After termination, the Condominium Property and all assets (exclusive of any interest in the Community Properties) of the Association shall be held by Unit Owners as tenants-in-common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Unit Owners. The undivided shares of the Unit Owners shall be the same as the undivided shares of the Common Elements appurtenant to the owners' Units prior to the termination.

E. Amendment. This Article XVI concerning termination cannot be amended without consent of all Unit Owners and of all record owners of Institutional First Mortgages upon the Units.

F. Should the Condominium be terminated or the Association dissolved, the maintenance, operation and control of the Condominium which is subject to being a street easement, shall vest in such governmental authority or non-profit corporation willing to accept the responsibility for the maintenance, operation and control.

XVII.

MANAGEMENT AGREEMENT AND COMMUNITY
PROPERTIES MANAGEMENT AGREEMENT

A. Simultaneously with the recording of this Declaration, the Association has entered into a management agreement to provide management and maintenance services for the Condominium pursuant to the Management Agreement annexed as Exhibit "F" hereto; and

B. The Community Association has entered into a management agreement to provide management and maintenance services for the Community Properties pursuant to the Community Properties Management Agreement annexed as Exhibit "F" to the Community Declaration which is annexed hereto as Exhibit "G."

C. Unit Owners Bound. In further recognition of the total environment the Developer may create at Lake Lucerne Golf Colony Project, each Unit Owner, by acceptance of a deed or other instrument conveying title to a Unit:

(1) adopts, ratifies, confirms and consents to the said Management Agreement, Community Properties Management Agreement, and Community Declaration and Exhibits thereto and agrees that all material provisions thereof are fair and reasonable; and

(2) agrees that the nominees of the Developer, acting as Officers and Directors of the Association and/or as officers and Directors of the Community Association, have not violated any fiduciary duty or obligation by entering into said agreements.

D. Powers and Duties of Management Firm. Notwithstanding any other provisions of this Declaration, the Management Firm and Community Management Firm shall have those duties and powers specifically set forth in the said Management Agreement and Community Properties Management Agreement.

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E. The Board of Directors of the Association may enter into such amendments and modifications to the Management Agreement or such other management agreements after termination of the Management Agreement upon such terms and conditions as the Board may deem appropriate.

F. The Board of Directors of the Community Association may enter into such amendments and modifications to the Community Properties Management Agreement or such other management agreements after termination of the Community Properties Management Agreement upon such terms and conditions as the Board may deem appropriate.

XVIII.

LUCERNE LAKES MASTER HOMEOWNERS' ASSOCIATION, INC.

The Association is a member of the Lucerne Lakes Master Homeowners' Association, Inc., a Florida Corporation not for profit, and each Unit Owner, by virtue of the ownership of a Unit in this Condominium, shall be bound by the terms, conditions, duties, liabilities and obligations under the Lucerne Lakes Master Declaration of Covenants and Restrictions, and Exhibits and Amendments thereto. The Unit Owners, by virtue of their acceptance of the Deed of Conveyance as to their Units, acknowledge that the aforesaid Lucerne Lakes Master Homeowners' Association, Inc. has certain rights which supersede and are paramount to the rights of the Association or the Community Association, as more particularly provided in the instruments previously referred to in this Article, including the right of Lucerne Lakes Master Homeowners' Association, Inc. to levy assessments against the Association and the Units in this Condominium and the lien rights in favor of said Lucerne Lakes Master Homeowners' Association, Inc. and other rights, as more fully set forth in said instruments. The aforesaid Lucerne Lakes Master Declaration of Covenants and Restrictions and Exhibits and Amendments thereto which are on file in the Public Records of Palm Beach County, Florida are attached to this Declaration as composite Exhibit "H."

XIX.

MISCELLANEOUS PROVISIONS

A. The owners of the respective Units shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective Units nor shall the Unit Owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective Units which are utilized for or serve more than one Unit, which items are, by these presents, hereby made a part of the Common Elements. Said Unit Owner, however, shall be deemed to own the walls and partitions which are contained in said Unit Owner's Unit, and shall also be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors, and ceilings, including plaster, paint, wallpaper, etc.

B. The owners of the respective Units agree that if any portion of a Unit or Common Element or Limited Common Element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event a Condominium building or buildings are partially or totally destroyed and then rebuilt, the owners of the Condominium Parcels agree that encroachments on parts of the Common Elements or Limited Common Elements or Units, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

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C. No owner of a Condominium Parcel may exempt himself from liability for his contribution toward the Common Expenses or Community Association Assessments by waiver of the use and enjoyment of any of the Common Elements or Community Properties or by the abandonment of his Unit.

D. The owners of each and every Condominium Parcel shall return the same for the purpose of ad valorem taxes with the Tax Assessor of the County wherein the Condominium is situate, or for such other future legally authorized governmental officer or authority having jurisdiction over same. Nothing herein shall be construed, however, as giving to any Unit Owner the right of contribution or any right of adjustment against any other Unit Owner on account of any deviation by the taxing authorities from the valuation herein prescribed, each Unit Owner to pay ad valorem taxes and special assessments as are separately assessed against his Condominium Parcel.

For the purpose of ad valorem taxation, the interest of the owner of a Condominium Parcel in his Unit and in the Common Elements shall be considered a Unit. The value of said Unit shall be equal to the percentage of the value of the entire Condominium including land and improvements, as has been assigned to said Unit and as set forth in this Declaration. The total of all of said percentages equals 100% of the value of all of the land and improvements thereon.

E. All provisions of this Declaration and Exhibits and Amendments thereof, shall be construed as covenants running with the land and of every part thereof and interest therein, including but not limited to every Unit and the appurtenances thereto, and every Unit Owner and occupant of the property or any part thereof, or of any interest therein, and his heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of said Declaration and Exhibits and any Amendments thereof.

F. If any of the provisions of this Declaration or of the By-Laws, Articles of Incorporation of the Association, or of the Condominium Act, or any section, clause, phrase, word, or the application thereof, in any circumstance is held invalid, the validity of the remainder of this Declaration, the By-Laws, Articles of Incorporation, or the Condominium Act, and of the application of any such provision, section, sentence, clause, phrase or word, in other circumstances, shall not be affected thereby.

G. Whenever notices are required to be sent hereunder, the same may be delivered to Unit Owners, either personally or by mail, addressed to such Unit Owners at their place of residence in the Condominium unless the Unit Owner has by written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by the Affidavit of the person mailing or personally delivering said notices. Notices to the Association shall be delivered by mail to the Secretary of the Association at the Secretary's residence in the Condominium or, in the case of the Secretary's absence, then to the President of the Association at his residence in the Condominium and, in his absence, any member of the Board of Directors of the Association.

Notices to the Developer shall be delivered by mail at: 2514 Hollywood Boulevard, Hollywood, Florida, or such other address as specified by Developer in written notice to the Association.

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All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice, duly receipted for. Notices required to be given the personal representatives of a deceased owner or devisee, when there is no personal representative, may be delivered either personally or by mail to such party at his or its address appearing in the records of the Court wherein the estate of such deceased owner is being administered. The change of the mailing address of any party, as specified herein, shall not require an amendment to this Declaration.

H. Nothing hereinabove set forth in this Declaration shall be construed as prohibiting the Developer or the Board of Directors from authorizing the removal of or removing any party wall between any Units in order that the said Units might be used together as one integral Unit. In each event, all Assessments, voting rights and the share of the Common Elements shall be calculated as if such Units were as originally designated on the Exhibits attached to this Declaration, notwithstanding the fact that several Units are used as one, to the intent and purpose that the Unit Owner of such combined Units shall be treated as the Unit Owner of as many Units as have been so combined. The Developer shall have the right to use portions of the Common Elements of the Condominium Property for the purpose of aiding in the sale of Units including the right to use Units owned by the Developer for model apartments and/or sales offices, to display the Common Elements to prospective purchasers and to use portions of the Condominium Property for parking for prospective purchasers and such other parties as Developer determines. The foregoing right shall mean and include the right to transact any business necessary or desirable in the sole discretion of the Developer to consummate sales of Units, including, without limitation, the right to display and erect signs, billboards and placards and store, keep and exhibit same and distribute audio and visual promotional materials upon the Common Elements of the Condominium Property.

I. Whenever the context so requires, the use of any gender shall be deemed to include all genders and the use of the singular shall include the plural, and plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a Condominium.

J. The captions used in this Declaration and Exhibits are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or Exhibits.

K. Subsequent to the filing of this Declaration, the Association - when authorized by a vote of not less than three-fourths (3/4ths) of the total vote of the members of the Association and approved by the owners and holders of Institutional First Mortgages encumbering Condominium Parcels who represent a majority of the dollar institutionally mortgaged indebtedness against the Units in this Condominium, may acquire and enter into agreements from time to time whereby it acquires leaseholds, memberships and other possessory or use interests in lands or facilities, including but not limited to country clubs, or golf courses, marinas and other recreational facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation and other use or benefit of the Unit Owners. The expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith, shall be Common Expenses, together with all other expenses and costs herein or by law defined as Common Expenses. The provisions of this Paragraph K are paramount to and superior to

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Article VII of this Declaration as to the matters set forth in this paragraph.

L. Where an Institutional First Mortgage by some circumstance fails to be a First Mortgage, but it is evident that it is intended to be a First Mortgage, it shall, nevertheless, for the purpose of this Declaration and Exhibits, be deemed to be an Institutional First Mortgage.

M. If any term, covenant, provision, phrase or other element of the Condominium Documents is held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever, any other term, provision, covenant or element of the Condominium Documents.

N. 1. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the Condominium Property, Community Properties or the Condominium Documents except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Any estimates of Common Expenses, taxes or other charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon except where same is specifically warranted or guaranteed. The Developer has constructed the building(s) and improvements substantially in accordance with the Plans and Specifications on file in the Building and Zoning Department of the applicable governmental authority and as same have been modified, and this is the full extent of the Developer's liability and responsibility.

2. The Developer shall not be responsible for conditions resulting from condensation on or expansion or contraction of materials, paint over walls, both interior and exterior, loss or injury caused in any way by the elements; the water tightness of windows and doors, defects which are the result of characteristics common to the materials used, and damage due to ordinary wear and tear or abusive use, collection of water within the buildings or on any portion of the Condominium Property, nor anything of any type or nature except such items as are specifically delineated and agreed to in writing between the Developer and the individual Unit Owner and it shall be understood and agreed that the Developer shall bear no responsibility in any way as to the matters provided in this paragraph to the Condominium Association and Unit Owners. Guaranties have been obtained from certain Sub-Contractors, and warranties have been obtained from the manufacturer of certain appliances and equipment, as specified by said manufacturer, and it shall be the obligation of the Condominium Association and its members to enforce such guaranties and warranties.

3. The terms and provisions under this paragraph are modified by the provisions of F.S. 718.203 and the warranties set forth therein shall be deemed to be repeated and realleged herein. THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE WARRANTIES SET FORTH AS TO THE DEVELOPER IN SECTION 718.203(1), FLORIDA STATUTES. DEVELOPER DOES HEREBY DISCLAIM ANY AND ALL IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS OF PURPOSE THAT MAY BE DUE FROM DEVELOPER, WHETHER IN REGARD TO THE CONDOMINIUM BUILDINGS OR CONDOMINIUM UNIT ITSELF, THE PERSONAL PROPERTY CONTAINED THEREIN, THE FIXTURES CONTAINED THEREIN, OR THE RECREATION AREA.

4. The Association, by its execution of this Declaration of Condominium, approves the foregoing and all of the covenants, terms and conditions, duties and obligations of this Declaration and Exhibits. The Unit Owners, by virtue of their ac-

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ceptance of the Deed of Conveyance as to their Unit, and other parties by virtue of their occupancy of Units hereby approve the foregoing and all of the terms and conditions, duties and obligations of this Declaration and Exhibits.

O. No Condominium parcel owner shall bring, or have any right to bring, any action for partition or division of the Condominium Property.

P. The real property submitted to Condominium ownership herewith is subject to conditions, limitations, restrictions, reservations and all matters of record and, if applicable, any right of any governmental authority of agency as to any submerged land, taxes, applicable zoning ordinances now existing or which may hereafter exist, easements for ingress and egress for pedestrian and vehicular purposes, easements for utility service and drainage now existing or hereafter granted by the Developer for the benefit of such persons as the Developer designates, and the said Developer shall have the right to grant such easements and designate the beneficiaries thereof for such time as it determines in its sole discretion, and thereafter, the Association shall be empowered to grant such easements on behalf of its members. During the period of time that the Developer has the right to grant the foregoing easements, the consent and approval of the Association and its members shall not be required. The right to grant the foregoing easements shall be subject to said easements not structurally weakening the building(s) and improvements upon the Condominium Property nor unreasonably interfering with the enjoyment of the Condominium Property by the Association's members. Where applicable, riparian and littoral rights as to the Condominium Property are disclaimed by the Developer; however, the Association and its members shall have the same riparian and littoral rights as to the Condominium Property as the Developer has at this time.

The Association and its members, Community Association and its members, the Developer, its successors, assigns and designees, by virtue of the execution of this Declaration and Exhibits by said Condominium Association and Developer hereby grant to each other and the designees of the Developer the following: an easement for ingress and egress over, through and across the paved area of the Common Elements, other than the parking spaces, which is intended for vehicular and pedestrian traffic; a pedestrian easement over, through and across the Common Elements of the Condominium; and Developer and its designees are hereby granted and Developer reserves a utility and drainage easement over, through, across and under the Common Elements of the Condominium, provided such easement does not interfere with the buildings constructed upon the Condominium Property or materially interfere with the use and enjoyment of the Condominium Property. The foregoing easement over, through and across the paved area of the Common Elements of the Condominium other than the parking spaces shall be referred to as a "parking street easement" or "street easement" or "ingress and egress easement" or "egress-ingress easement" or "access easement" or "roadway" or "drive" or "drive or roadway easement." The pedestrian easement referred to above shall be referred to as a "sidewalk easement" or "pedestrian easement" or "ingress-egress easement." The Condominium Property may not be abutting, contiguous or adjacent to any public street, road, or right-of-way. Where such is the case, the Developer covenants to provide access from the nearest public street, road or right-of-way to the Condominium Property for ingress and egress for vehicular and pedestrian traffic and said area shall be referred to as a "parking street easement" or

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"ingress and egress easement" or "street easement" or "access easement" or "roadway" or "drive" or "drive or roadway easement"; however, where all or a portion of such easement area is over and across a property which may become a Condominium or a property which is not a Condominium but is improved with an apartment building, then in such event the part of said area over and across said Condominium or non-Condominium property, as aforesaid, shall be referred to as a "parking street easement" or "ingress and egress easement" or "street easement" or "access easement" or "roadway" or "drive" or "drive or roadway easement." The easements as provided above are hereby granted by virtue of the execution of this Declaration and Exhibits by the Condominium Association(s) and the Developer to each other and the Developer's designees and same are further granted thereby to and for the benefit of owners and occupants, including the Condominium Association(s) and its members contained within the Condominium Complex, as determined by the Developer. The easements hereinbefore provided in this paragraph for vehicular and/or pedestrian purposes shall also apply to the Community Properties. The aforesaid easements shall also be for the benefit of all owners or occupants of a portion of the real property and persons resident upon the Project. The aforesaid easements for the aforesaid parties are also for the purpose of giving said parties the use and enjoyment and access to and from any lake(s), canals, lagoons, waterways and pedestrian walkways, where applicable, within the Condominium Complex.

No right shall ever accrue to the public from the above described easements and said easements shall endure to January 1, 2080, and thereafter for successive periods of ten (10) years unless sooner terminated by a recorded document duly executed and recorded by the persons required. Said easements may be terminated in whole or in part prior to January 1, 2080, and thereafter upon the joint consent of the Developer, its successors and assigns, and the owners of all the lands which are entitled to the use of said easements except where all or portions of said lands shall have been submitted to Condominium ownership, the Condominium Association(s) responsible for the operation and management of said Condominium(s) are irrevocably appointed and authorized by the Condominium parcel owners to execute said instrument and the execution of said instrument by the Condominium parcel owners shall not be required. The foregoing easement areas shall be subject to such easements as may be required for drainage and utility service purposes as the Developer may hereafter deem necessary and the Developer shall have the right in its sole discretion to grant such drainage and utility service easements over, upon, across and under said easement areas as it deems necessary and the consent of no other party shall be required. The Unit Owners of this Condominium and the Condominium Association shall be responsible for the care and maintenance of those portions of the Condominium Property that are designated as and are subject to being an easement, including landscaping thereon, and said Unit Owners shall share the total cost thereof. The Developer may convey all or part of the easement areas to the proper governmental authorities causing same to become public roads and the Developer may also, at such time as it determines, convey fee simple title to such easements areas to the Condominium Association(s) which comprise the Association(s) formed to operate the Condominium(s) in the Condominium Complex and the owners of real property within the Complex which may not be Condominiums, as it determines in its sole discretion, as to easement areas which are not a portion of a Condominium's property. Where the Developer grants additional easements in the Complex as to such additional properties as it determines which

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connect with the easements designated in Exhibit "B" annexed to this Declaration, the same shall automatically be a part of the easements hereinbefore provided as if originally set forth herein.

All parking spaces within the Condominium, except for assigned parking spaces, shall be for the use and enjoyment of all members of the Association or occupants of Units within the real property described in Exhibit "A" to this Declaration, and such person's family, guests and invitees, subject however, to such Rules and Regulations relating thereto as may from time to time be promulgated by the Board of Directors of the Association. The foregoing right of use is hereby deemed to be a perpetual non-exclusive easement granted in favor of the above named persons. Additional future parking spaces may be located in portions of the grassed areas of the Condominium. The Developer is not obligated to construct or pave the future parking spaces.

Q. In order to insure the Condominium adequate and uniform water service and sewerage disposal service, the Developer shall have and hereby reserves the exclusive right to contract for the servicing of said Condominium and the Unit Owners therein for said service. Pursuant to the foregoing, the Developer has, will or may contemporaneously herewith contract for the furnishing of said services and the Association and Unit Owners agree to pay the charges therefor pursuant to and to comply with all of the terms and conditions of said utility agreement. Where the applicable governmental authority does not provide waste and trash removal, the Developer shall have and hereby reserves the exclusive right to contract for the servicing of this Condominium and the Unit Owners therein to provide waste and trash removal with a private company providing said services, and the Association and Unit Owners agree to pay the charges therefor pursuant to and to comply with all of the terms and conditions of said waste and trash removal agreement. The Condominium Association and its members further agree that the Developer may enter into said agreement on behalf of and as agent for the Condominium Association and its members. The said waste and trash removal agreement shall be for such period of time and upon such terms and conditions as the Developer determines in its sole discretion.

R. Notwithstanding the fact that the present provisions of the Condominium Act of the State of Florida are incorporated by reference and included herein thereby, the provisions of this Declaration and Exhibits shall be paramount to the Condominium Act as to those present provisions where permissive variances are permitted; otherwise, the present provisions of said Condominium Act shall prevail and shall be deemed incorporated therein.

S. The provisions of F.S. 718.303(1) entitled "Remedies for Violation" shall be in full force and effect and are incorporated herein. The Association may bring an action pursuant to the Statute aforescribed.

T. Due to the requirements of FHLMC, the following provisions are hereby made a part of this Declaration of Condominium and Exhibits and said provisions are paramount to any contrary provisions in this Declaration and Exhibits and, where applicable, the appropriate provisions in this Declaration and Exhibits shall be deemed to be changed and modified by these provisions. The following are said provisions, to wit:

1. The holder of any mortgage encumbering a Condominium Unit upon written request therefor to the Association shall be entitled to written notification from the Condominium Association of any default by a Unit Owner and/or mortgagor of

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such Unit in the performance of such Unit Owner and/or mortgagor's obligations under the Condominium documents which is not cured within thirty (30) days.

2. Any holder of a mortgage encumbering a Condominium Unit which comes into possession of said Unit pursuant to the remedies provided in said mortgage, or foreclosure of said mortgage, or deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first refusal," including but not limited to all of the provisions of Article XI of the Declaration of Condominium.

3. Any holder of a mortgage encumbering a Condominium Unit which comes into possession of said Unit pursuant to the remedies provided in said mortgage, foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall take the property, i.e., Condominium Parcel-Unit, free of any claims for unpaid Assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the unit (except for claims for a pro-rata share of such Assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Units including the mortgaged Unit). The foregoing provisions in this Paragraph 3 shall be deemed to change the provisions of Article X of the Declaration of Condominium, where applicable.

4. Unless all holders of Institutional First Mortgages on individual Units have given their prior written approval, the Unit Owners, voting members of the Condominium Association and the Condominium Association shall not be entitled to:

(a) Change the pro-rata interest or obligations of any Unit for purposes of levying Assessments and charges and determining shares of the Common Elements and proceeds of the Condominium.

(b) Partition or subdivide any Unit or the Common Elements of the Condominium, nor

(c) By act or omission seek to abandon the condominium status of the Condominium except as provided herein.

5. All taxes, assessments and charges which may become liens prior to a mortgage encumbering a Condominium Unit under Florida law shall relate only to the Condominium Unit and not to the Condominium as a whole.

6. Any holder of an Institutional First Mortgage encumbering a Condominium unit shall have the right to examine the books and records of the Condominium Association, and to require the submissions of annual reports and other financial data.

U. Reservation of Exclusive Right to Install, Provide and Maintain Pay Television in the Condominium Property. The Association and each Unit Owner in this Condominium does hereby give and grant unto the Developer, its successors or assigns, and the Developer, its successors or assigns, does hereby reserve unto itself for a fifty (50) year term, commencing with the recording of this Declaration, the exclusive right and privilege to install, provide and maintain any or all present or future systems which are or may be developed for the purpose of transmitting a television picture for hire into the Condominium Property and the Units. The Developer, its successors or assigns does further reserve such exclusive blanket easements over, under, across and through the Condominium Property and improve-

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ments for cables and other equipment as may be reasonably necessary to provide the transmission of a pay television picture to the Units and Condominium Property. The Developer, its successors or assigns, does further reserve the unrestricted right to assign, transfer and convey the exclusive right, privilege and easements herein reserved. For the term of this reservation, the Association and each Unit Owner, his successors and assigns, shall be prohibited from entering into any contract or agreement to provide pay television service with any party other than the developer, its successors or assigns, which said prohibition shall be enforceable by injunction in a court of appropriate jurisdiction. Notwithstanding anything to the contrary contained in this Declaration, all transmission lines or cables installed or to be installed for the purpose of providing pay television shall be deemed Common Elements, except to the extent that such transmission lines or cables serve an individual Unit, in which case such transmission lines or cables shall be deemed Limited Common Elements. All expense of maintenance, repair or replacement of such transmission lines or cables to the extent considered Limited Common Elements shall be borne solely by the individual Unit Owner, together with the expense of any maintenance, repair or replacement of the individual channel selector or similar mechanism serving an individual Unit. All expense of maintenance, repair or replacement of such transmission lines or cables to the extent considered Common Elements shall be borne by the Association as a Common Expense.

XX.

CONDEMNATION - EMINENT DOMAIN

In the event of a taking by condemnation or eminent domain of all or a part of the Condominium, regardless of the amount of such taking, this Condominium may only be terminated in the manner provided in Article XVI of this Declaration as to voluntary termination. Subject to the foregoing, the applicable provisions under Article XII.B of this Declaration shall apply to the foregoing, including without limitation, provisions affecting receipt and disbursement of the Condominium award, responsibilities of the Insurance Trustee, the disbursement of monies by the Insurance Trustee toward the cost of repair or restoration and, where applicable, to the Unit Owners. All awards under the provisions of this Article shall be paid to the Insurance Trustee and all monies held by the Insurance Trustee shall be disbursed for repair and restoration; however, where applicable, monies held by the Insurance Trustee for Unit Owners shall be disbursed to the Unit Owner and holder of a first mortgage on a Unit in place of the Unit Owner, pursuant to the applicable provisions under Article XII.B of this Declaration. Where the award is not sufficient to cover the cost of repair or restoration and this Condominium is not terminated pursuant to the applicable provisions for voluntary termination, as provided in Article XVI of this Declaration, the Association shall immediately determine and levy such Assessment against the applicable Units in this Condominium as are deemed necessary to cover the cost of such repair or restoration, pursuant to the applicable provisions of Article XII.B.2. The Condominium Property and improvements thereon remaining after a taking by condemnation or eminent domain must be repaired or restored, as the case may be, as herein provided, unless this Condominium is voluntarily terminated pursuant to Article XVI of this Declaration. Such taking by condemnation or eminent domain shall not disturb the first lien priority of a first mortgage encumbering a Unit except to the extent as is specifically provided herein.

Notwithstanding any of the terms and provisions contained in this Declaration to the contrary, the Association, Unit Owner, or

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any other party, shall not have priority over the rights of any First Mortgagee of the applicable Unit, pursuant to its mortgage, in the case of a distribution to the owner of such Unit of condemnation award(s) for losses to or taking of a Unit and/or Common Element; therefore, a First Mortgagee whose mortgage so provides, shall, in the event of a loss to or taking of a Unit and/or Common Element, have the right to require the application of condemnation award(s) to the payment of its mortgage.

XXI

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AS MEMBERS OF
LUCERNE LAKES GOLF COLONY COMMUNITY ASSOCIATION, INC.

Each unit owner is a member of the Community Association, which may own, operate and maintain the Community Properties in the Project in accordance with the Community Declaration and Exhibits thereto and any supplements or amendments now or hereafter existing. Each unit owner, by virtue of the ownership of a Unit, hereby agrees and shall be bound by the terms, conditions, duties, liabilities and obligations under the Community Declaration. The unit owners, by virtue of their acceptance of the Deed of Conveyance as to their units, acknowledge and agree that the Community Association has certain rights which supersede and are paramount to the rights of the Association, as more particularly provided in the instruments previously referred to in this Article, including the right of the Community Association to levy assessments against the units in this Condominium and the lien rights in favor of said Community Association and other rights. The aforesaid Community Declaration, Articles of Incorporation and By-Laws of the Community Association and all amendments thereto, are attached to this Declaration as composite Exhibit "G" with the same force and effect as though they were fully set forth herein. In accordance therewith and subject thereto, the unit owners shall have the non-exclusive use of the Community Properties (subject to the provisions of the Community Declaration and Exhibits thereto) and shall contribute to the costs and expenses of operating, maintaining, repairing, and replacing same in accordance with the provisions thereof. The Association and each unit owner shall perform or cause to be performed all duties and obligations imposed upon it or them in the Community Declaration and Exhibits thereto.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed in its name by its proper officer and its Corporate Seal to be affixed, this 7th day of February, 1983.

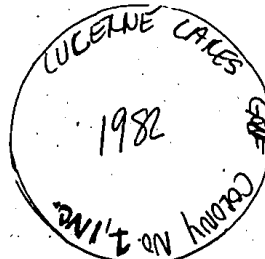
Signed, Sealed and Delivered
in the Presence of:

Marianne Filocco
Lita Krapp

LUCERNE LAKES GOLF COLONY
NO. 1 INC., a Florida
corporation

BY: Carl Palmisciano
Carl Palmisciano, President

(DEVELOPER)



B3884 P1215

STATE OF FLORIDA)
) SS:
COUNTY OF Palm Beach

BEFORE ME, the undersigned authority, personally appeared Carl Palmisciano to me well known to be the person described in and who executed the foregoing instrument as President of LUCERNE LAKES GOLF COLONY NO. 1, INC., a Florida corporation, and he acknowledged before me that he executed such instrument as such Officer of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal at the State and County aforesaid, this 27th day of February, 1983.

My commission expires: Notary Public, State of Florida
My Commission Expires Nov. 11, 1984
Bonded thru Troy Fair Insurance, Inc.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC., a Florida Corporation not for profit, hereby agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits.

IN WITNESS WHEREOF, LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC., a Florida Corporation not for profit, has caused these presents to be signed in its name by its President, and its Corporate Seal affixed, attested by its Secretary this 7th day of February, 1983.

Signed, Sealed and Delivered in the Presence of:

Marianne Diocco
Linda Conrad

LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC., a Florida corporation not for profit
By: Carl Palmisciano (SEAL)
CARL PALMISCIANO, President

Attest: [Signature] (SEAL)
Secretary
(ASSOCIATION)

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

BEFORE ME, the undersigned authority, personally appeared CARL PALMISCIANO and Jess Clark to me well known to be the persons described in and who executed the foregoing instrument as President and Secretary, respectively, of LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC., a Florida Corporation not for profit, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporation, and that the Seal affixed thereto is the Corporate Seal of said Corporation, and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said Corporation.

WITNESS my hand and official seal at the State and County aforesaid, this 7th day of February, 1983.

My commission expires: Notary Public, State of Florida
My Commission Expires Nov. 11, 1984
Bonded thru Troy Fair Insurance, Inc.

JW2-A

Notary Public, State of Florida
My Commission Expires Nov. 11, 1984
Bonded thru Troy Fair Insurance, Inc.
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LEGAL DESCRIPTION

LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 604.52 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 255.00 FEET TO THE POINT OF BEGINNING;

THENCE N 88°35'57"W A DISTANCE OF 620.14 FEET; THENCE N 01°24'03"E A DISTANCE OF 106.50 FEET; THENCE S 88°35'57"E A DISTANCE OF 551.36 FEET; THENCE N 00°12'58"W A DISTANCE OF 336.18 FEET TO A POINT ON A CURVE; THENCE 168.05 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 365.29 FEET, A CENTRAL ANGLE OF 26°21'30", A CHORD LENGTH OF 166.57 FEET, AND A CHORD BEARING S 13°23'43"E TO A POINT OF REVERSE CURVATURE; THENCE 126.44 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 272.68 FEET, A CENTRAL ANGLE OF 26°34'02", A CHORD LENGTH OF 125.31 FEET, AND A CHORD BEARING S 13°17'28"E TO A POINT OF TANGENCY; THENCE S 00°00'27"E A DISTANCE OF 160.34 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINING 1.800 ACRES, MORE OR LESS.

EXHIBIT "A"
to Declaration of Condominium

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EXHIBIT "B"
TO THE
DECLARATION OF CONDOMINIUM
OF
LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1
(THE "CONDOMINIUM")

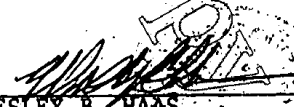
SURVEYOR'S CERTIFICATE

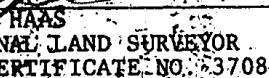
THE UNDERSIGNED, A LAND SURVEYOR DULY AUTHORIZED TO PRACTICE UNDER THE LAWS OF THE STATE OF FLORIDA, HEREBY CERTIFIES THAT THE CONSTRUCTION OF THE IMPROVEMENTS CONSTITUTING BUILDINGS NO. 1 AND NO. 2 OF THE CONDOMINIUM IS SUBSTANTIALLY COMPLETE, SO THAT THE ATTACHED SURVEY, PLOT PLAN AND GRAPHIC DESCRIPTION OF THE IMPROVEMENTS TOGETHER WITH THE PROVISIONS OF THE DECLARATION DESCRIBING THE CONDOMINIUM PROPERTY IS AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE IMPROVEMENTS, AND THAT THE IDENTIFICATION, LOCATION AND DIMENSIONS OF THE COMMON ELEMENTS AND OF EACH UNIT IN BUILDINGS NO. 1 AND NO. 2 CAN BE DETERMINED FROM THESE MATERIALS. IN ADDITION, ALL PLANNED IMPROVEMENTS, INCLUDING, BUT NOT LIMITED TO, LANDSCAPING, UTILITY SERVICES, AND ACCESS TO THE UNITS, AND COMMON ELEMENT FACILITIES SERVING BUILDINGS NO. 1 AND NO. 2 OF THE CONDOMINIUM HAVE BEEN SUBSTANTIALLY COMPLETED.

GENERAL NOTATIONS:

1. ELEVATIONS SHOWN HEREON REFER TO THE 1929 NATIONAL GEODETIC VERTICAL DATUM AND ARE EXPRESSED IN FEET.
2. THE PROPOSED DIMENSIONS OF ALL BUILDINGS WERE COMPILED FROM PLANS AND DATA PREPARED BY JOHN S. OBAROWSKI, ARCHITECT.
3. THE PROPOSED FINISHED FLOOR ELEVATION OF THE 1ST FLOOR OF EACH BUILDING WAS PROVIDED BY WANTMAN & ASSOCIATES, INC., CONSULTING ENGINEERS.
4. DIMENSIONS AND ELEVATIONS AS SHOWN HEREON ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES.

DATED THIS 28TH DAY OF JANUARY, 1983.


WESLEY B. HAAS
PROFESSIONAL LAND SURVEYOR
FLORIDA CERTIFICATE NO. 3708



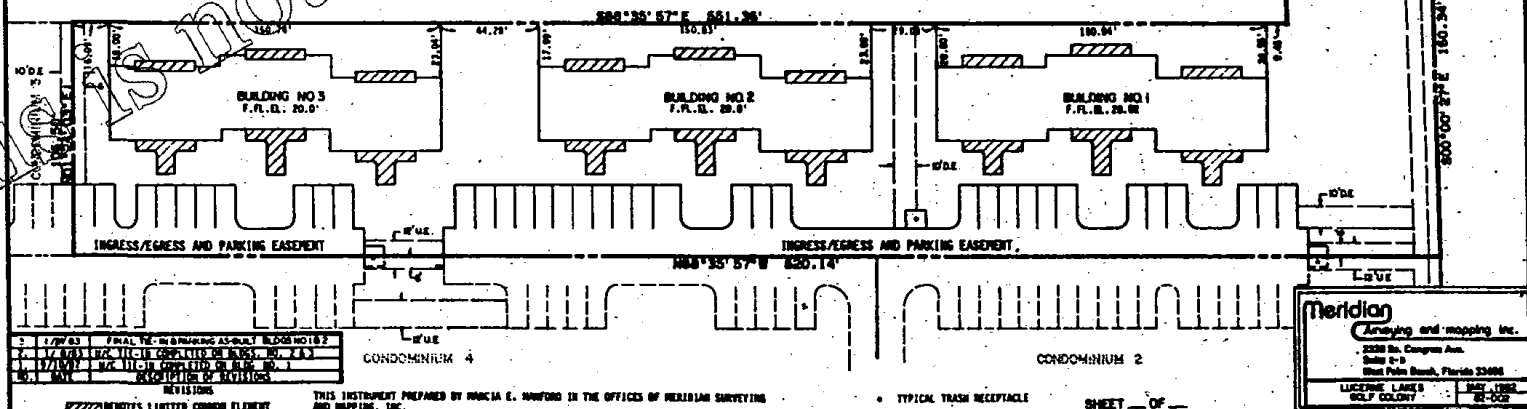
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EXHIBIT B TO THE DECLARATION OF CONDOMINIUM OF LUCERNE LAKES GOLF COLONY CONDOMINIUM NO.1



- NOTES:
1. ALL AREAS ARE COMMON ELEMENTS EXCEPT UNITS AND AREAS DESIGNATED AS LIMITED COMMON ELEMENTS.
 2. EASEMENTS ARE AS SET FORTH IN THE DECLARATION OF CONDOMINIUM FOR LUCERNE LAKES GOLF COLONY NO. 1, DECLARATION OF CONDOMINIUM, RESTRICTIONS, AND EASEMENTS, FOR LUCERNE LAKES GOLF COLONY, AND LUCERNE LAKES POSTER DECLARATION OF CONDOMINIUM AND RESTRICTIONS.
 3. SOME PARKING SPACES MAY BE LIMITED COMMON ELEMENTS AND ASSIGNED TO THE USE OF A PARTICULAR UNIT.

This is not a certified copy



Meridian
Surveying and Mapping, Inc.
2200 So. Congress Ave.
Suite 2-9
West Palm Beach, Florida 33409
LUCERNE LAKES GOLF COLONY MAY 1992 21-022

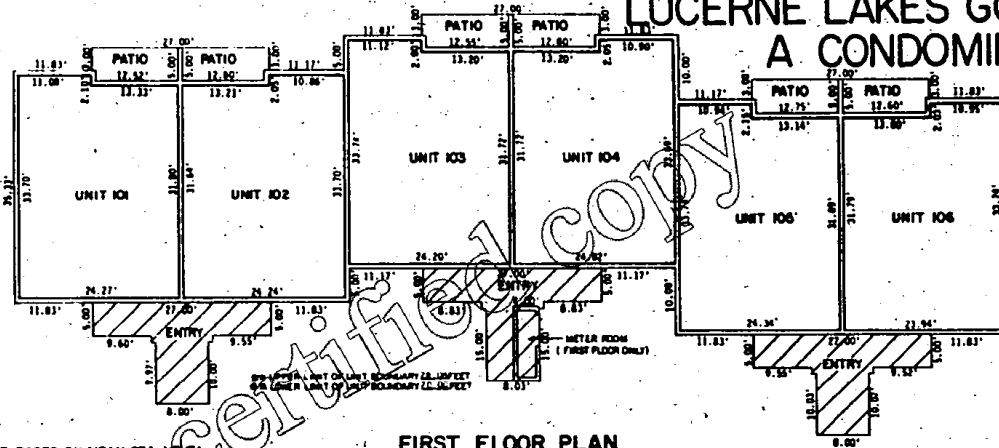
NO.	DATE	DESCRIPTION
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90	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
91	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
92	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
93	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
94	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
95	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
96	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
97	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
98	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
99	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3
100	1/17/92	1/2" SCALE PLAN FOR CONDOMINIUM NO. 1, 2, & 3

THIS INSTRUMENT PREPARED BY MARCIA E. WATSON IN THE OFFICES OF MERIDIAN SURVEYING AND MAPPING, INC.

TYPICAL TRASH RECEIPTABLE SHEET OF

B3884 P1220

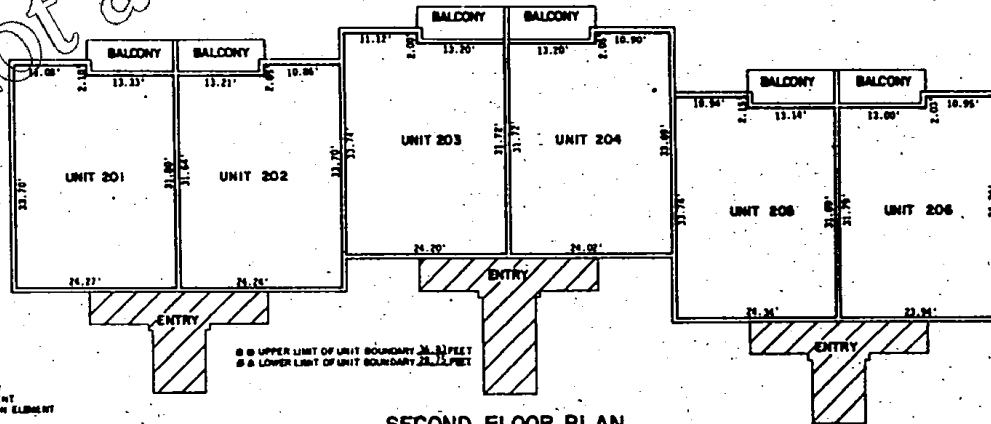
EXHIBIT B
TO THE
DECLARATION OF CONDOMINIUM
OF
LUCERNE LAKES GOLF COLONY
A CONDOMINIUM



FIRST FLOOR PLAN

BUILDING NO. 2

•• ALL ELEVATIONS ARE BASED ON MEAN SEA LEVEL
(1929 NATIONAL GEODESIC VERTICAL DATUM)



SECOND FLOOR PLAN

LEGEND
—— DENOTES UNIT BOUNDARY
—— DENOTES COMMON ELEMENT
████ DENOTES LIMITED COMMON ELEMENT

•• UPPER LIMIT OF UNIT BOUNDARY 2.31 FEET
•• LOWER LIMIT OF UNIT BOUNDARY 2.11 FEET

SHEET _____ OF _____

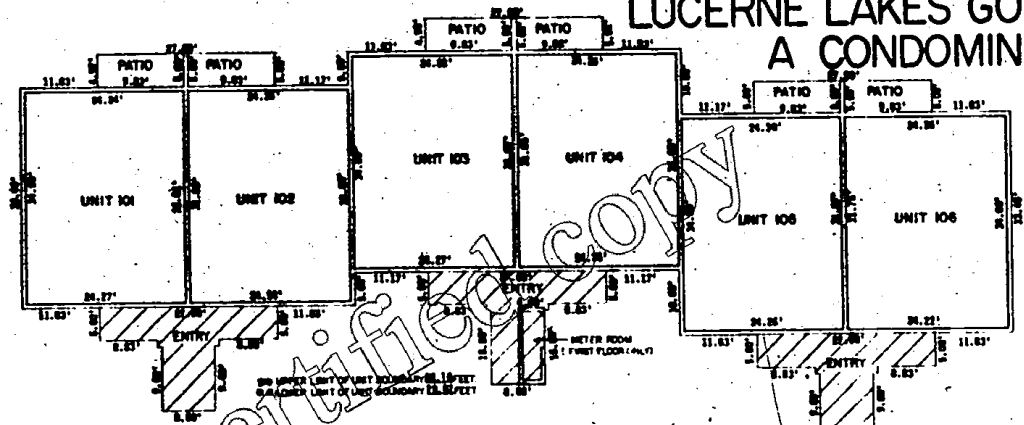
REV. FINAL TEX-M COMPLETED ON 1-24-83

Meridian
Surveying and Mapping, Inc.
2200 So. Congress Ave.
Suite 9-9
West Palm Beach, Florida 33406
LUCERNE LAKES GOLF COLONY JAN 1983 62-003

This is not a certified copy

B3884 P1221

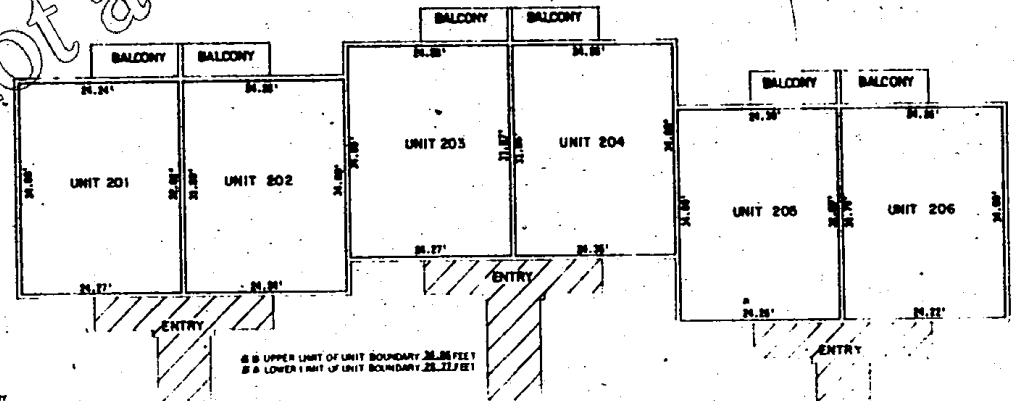
EXHIBIT B
TO THE
DECLARATION OF CONDOMINIUM
OF
LUCERNE LAKES GOLF COLONY
A CONDOMINIUM



FIRST FLOOR PLAN

BUILDING NO. 1

ALL ELEVATIONS ARE BASED ON MEAN SEA LEVEL
(1988 NATIONAL GEODESIC VERTICAL DATUM).



SECOND FLOOR PLAN

LEGEND
--- DENOTES UNIT BOUNDARY
--- DENOTES COMMON ELEMENT
--- DENOTES LIMITED COMMON ELEMENT

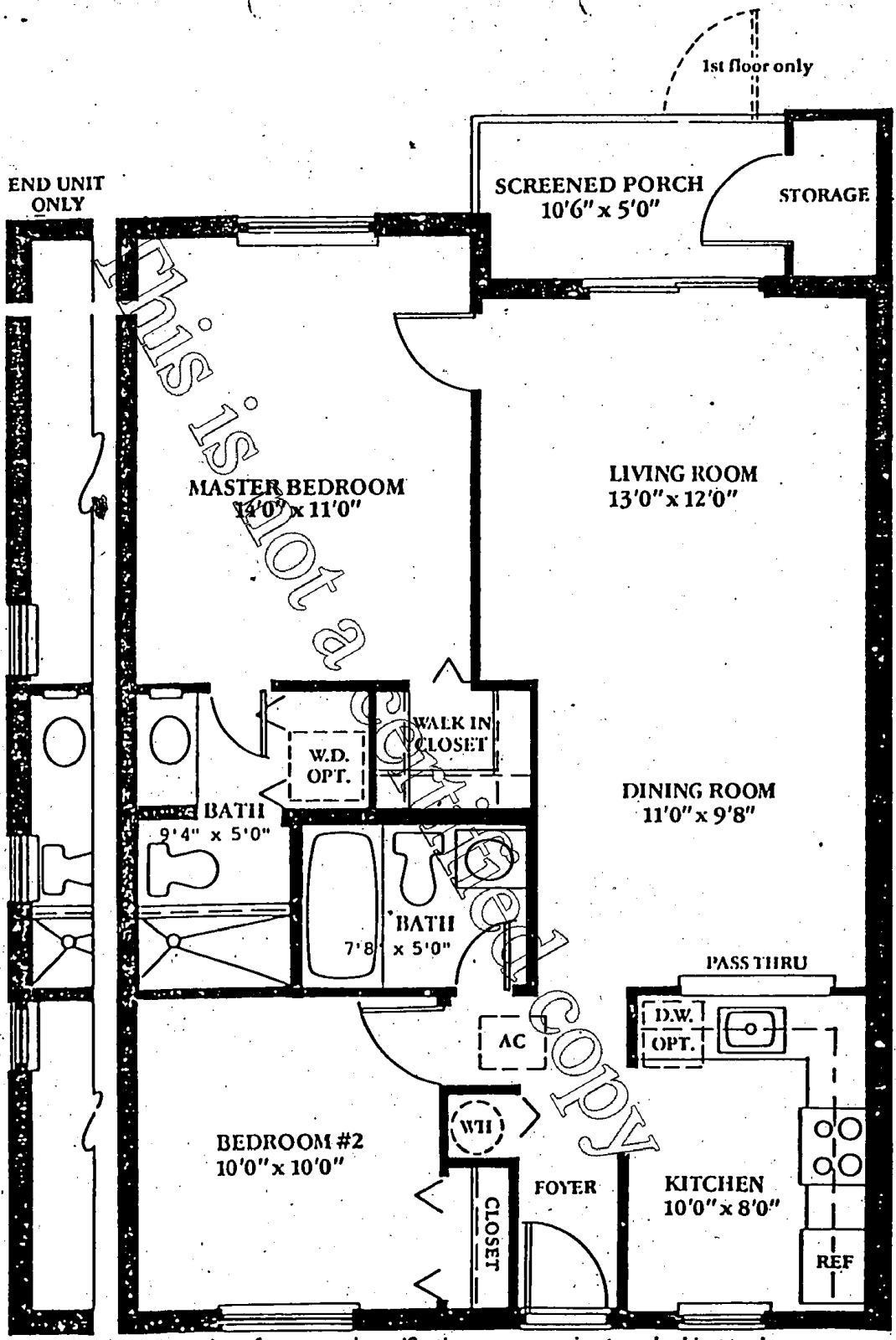
UPPER LIMIT OF UNIT BOUNDARY 28.28 FEET
LOWER LIMIT OF UNIT BOUNDARY 28.27 FEET

SHEET ___ OF ___

REV. FINAL TIE-IN COMPLETED ON 1-24-03

Meridian
Surveying and Mapping, Inc.
2222 So. Congress Ave.
Suite 2-8
West Palm Beach, Florida 33408
LUCERNE LAKES P1221 2/11/03
FILE FROM

This is not a certified copy

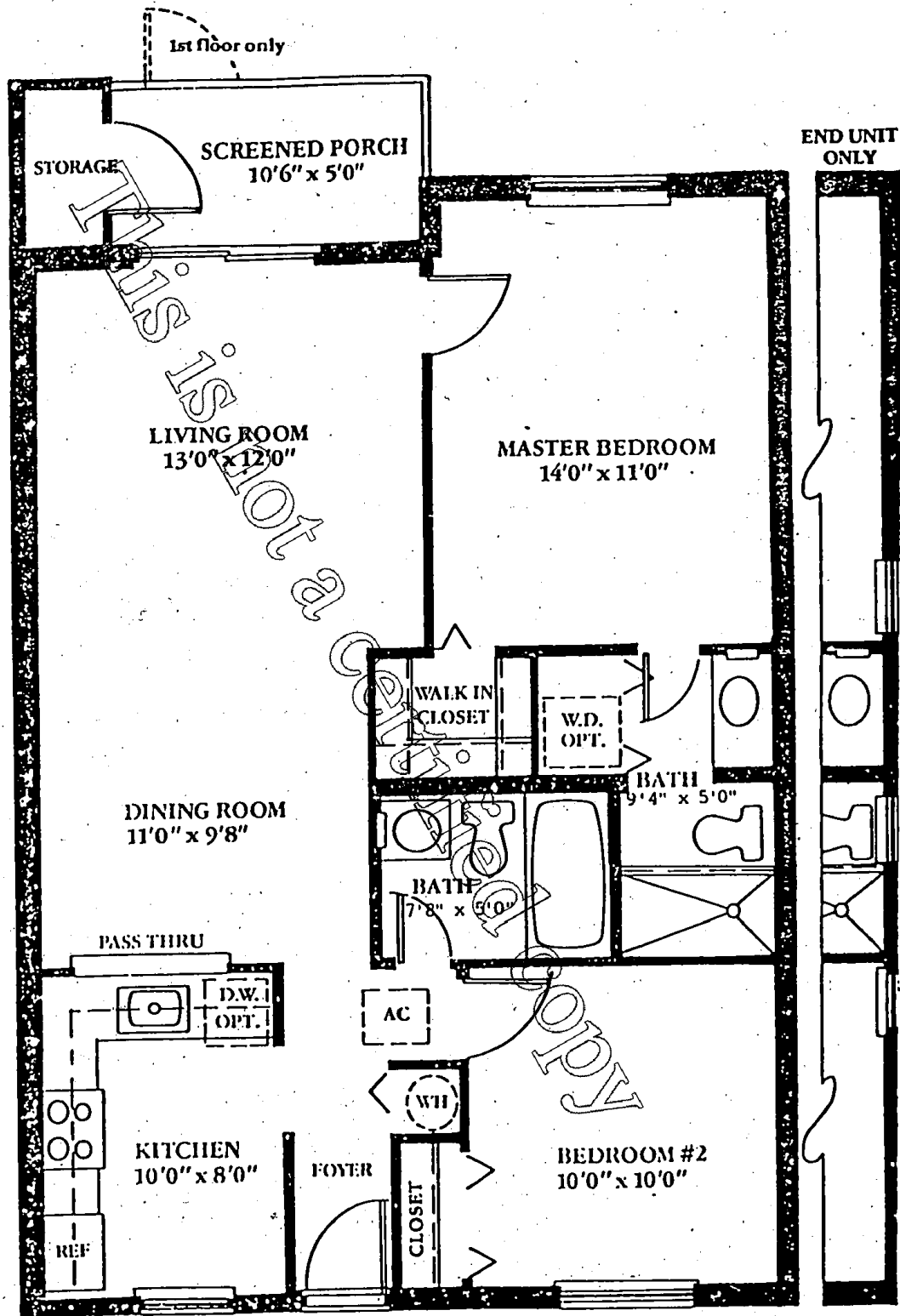


All dimensions, features and specifications are approximate and subject to change.

The above is the floor plan for the "03" and "05" units with the end unit only being a floor plan for the "01" units.

Exhibit "B" to Declaration of Condominium

B3884 P.1222



All dimensions, features and specifications are approximate and subject to change.

The above is the floor plan for the "06" units with respect to the end unit only and the "02" and "04" units with respect to the interior floor plan.

B3884 P1223

LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1

EXHIBIT C

TO

DECLARATION OF CONDOMINIUM

Condominium Unit and Parcel Number	Building Number	Type	Fractional Share of Undivided Interest in Common Elements and Unit Owner's Share of Common Expenses of this Condominium Per Unit
101	1	2 BR-2-Bath	1/36th
102	1	2 BR-2-Bath	1/36th
103	1	2 BR-2-Bath	1/36th
104	1	2 BR-2-Bath	1/36th
105	1	2 BR-2-Bath	1/36th
106	1	2 BR-2-Bath	1/36th
201	1	2 BR-2-Bath	1/36th
202	1	2 BR-2-Bath	1/36th
203	1	2 BR-2-Bath	1/36th
204	1	2 BR-2-Bath	1/36th
205	1	2 BR-2-Bath	1/36th
206	1	2 BR-2-Bath	1/36th
101	2	2 BR-2-Bath	1/36th
102	2	2 BR-2-Bath	1/36th
103	2	2 BR-2-Bath	1/36th
104	2	2 BR-2-Bath	1/36th
105	2	2 BR-2-Bath	1/36th
106	2	2 BR-2-Bath	1/36th
201	2	2 BR-2-Bath	1/36th
202	2	2 BR-2-Bath	1/36th
203	2	2 BR-2-Bath	1/36th
204	2	2 BR-2-Bath	1/36th
205	2	2 BR-2-Bath	1/36th
206	2	2 BR-2-Bath	1/36th
101	3	2 BR-2-Bath	1/36th
102	3	2 BR-2-Bath	1/36th
103	3	2 BR-2-Bath	1/36th
104	3	2 BR-2-Bath	1/36th
105	3	2 BR-2-Bath	1/36th
106	3	2 BR-2-Bath	1/36th
201	3	2 BR-2-Bath	1/36th
202	3	2 BR-2-Bath	1/36th
203	3	2 BR-2-Bath	1/36th
204	3	2 BR-2-Bath	1/36th
205	3	2 BR-2-Bath	1/36th
206	3	2 BR-2-Bath	1/36th

B3884 P1224

This is

Company # C-92

Turn C. Acct 252.219

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of

LUCERNE LAKES GOLF COLONY, INC.

filed on the 25th day of March, 1982.

The Charter Number for this corporation is F72235.

Tax I.D.# - [REDACTED]

Certified Copy

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 25th day of March 1982



CORP 104 Rev. 5-79

George Firestone
Secretary of State

83884 P1225

This is a true and correct copy of Certificate of Amendment to the Articles of Incorporation of LUCERNE LAKES GOLF COLONY, INC., a Florida corporation changing its name to LUCERNE LAKES GOLF COLONY NO. I, INC. filed on the 23rd day of April, 1982, as shown by the records of this office. The Charter Number for this corporation is F72235.

State of Florida



Department of State

I certify that the attached is a true and correct copy of Certificate of Amendment to the Articles of Incorporation of LUCERNE LAKES GOLF COLONY, INC., a Florida corporation changing its name to LUCERNE LAKES GOLF COLONY NO. I, INC. filed on the 23rd day of April, 1982, as shown by the records of this office.

The Charter Number for this corporation is F72235.

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 23rd day of April, 1982



George Firestone
Secretary of State

B3884 P1226

FILED

ARTICLES OF INCORPORATION

JUL 12 12 02 PM '82

OF

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC.

(a Florida corporation not for profit)

WE, the undersigned, hereby associate ourselves together for the purpose of forming a corporation not for profit under the laws of the State of Florida, pursuant to Chapter 617 et seq., Florida Statute, and hereby adopt these Articles of Incorporation and certify as follows:

ARTICLE I

Name

The name of this corporation shall be: LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC. ("Association" or "Corporation").

ARTICLE II

Purposes

The general purpose of this corporation not for profit shall be as follows: To be the "Association," as defined in the Condominium Act of the State of Florida (F.S. 718 et seq.) for the operation and management of Lucerne Lakes Golf Colony Condominium No. 1, a Condominium to be created pursuant to the provisions of the Condominium Act, and as such Association, to operate, manage and administer said Condominium and the Condominium Property and carry out the functions and duties of said Condominium Association, as set forth in the Declaration of Condominium ("Declaration") establishing said Condominium and Exhibits annexed thereto and the Condominium Act.

B3884 P1227

ARTICLE III

Members

Section 1. The members of the Association shall consist of the record owners of residential Condominium Parcels within LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ("Condominium"). Provided, however, that where required, pursuant to the Declaration, the approval of the Association must be obtained prior to becoming a member. After receiving such approval as may be required under the Declaration, change of membership in the Association shall be established by recording in the Public Records of Palm Beach County, Florida, a Deed or other instrument establishing record title to the Condominium Parcel and the delivery to the Association of a certified copy of such instrument. Such membership shall automatically terminate when such person is no longer the owner of a Condominium Parcel. Membership or stock certificates are not required and need not be issued. On all matters upon which the membership shall be entitled to vote, there shall be only one (1) vote for each Unit, which vote shall be exercised by the Unit Owner in accordance with the provisions of the Declaration and By-Laws. Until the Condominium Property is formally submitted to condominium ownership, the membership of the Association shall be comprised of the Developer of the Condominium, to wit: LUCERNE LAKES GOLF COLONY NO. 1, INC., a Florida corporation.

Section 2. The share of a member in the funds and assets of the Association cannot be assigned, apothecated or transferred in any manner except as an appurtenance to his Unit.

Section 3. Subject to the foregoing, admission to and termination of membership shall be governed by the Declaration.

ARTICLE IV

Existence

This Corporation shall have perpetual existence.

B3884 P.1228

ARTICLE V

Subscribers

The names and residences of the Subscribers to these Articles of Incorporation are as follows:

<u>Names</u>	<u>Address</u>
Carl Palmisciano	2514 Hollywood Boulevard Hollywood, Florida 33020
Steven I. Engel	2514 Hollywood Boulevard Hollywood, Florida 33020
Luis Clark	2514 Hollywood Boulevard Hollywood, Florida 33020

ARTICLE VI

Directors

Section 1. The affairs of the Corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than nine (9) persons. The Directors (other than Directors entitled to be elected or designated by the Developer under the Declaration and the By-Laws of this Corporation or the Condominium Act), subsequent to the first Board of Directors, shall be elected at the annual meeting of the membership for a term of one (1) year, or until their successors shall be elected and shall qualify. Provisions for such election and provisions respecting the removal, disqualification and resignation of Directors, and for filling vacancies on the Directorate shall be established by the By-Laws of this Corporation ("By-Laws").

Section 2. The principal officers of the Corporation shall be:

President
Vice President
Secretary
Treasurer

(the last two officers may be combined), and such other officers as the Board of Directors shall determine all of whom shall be elected from time to time, in the manner set forth in the By-Laws adopted by the Corporation.

B3884 P1229

ARTICLE VII

Officers

The names of the officers who are to serve until the first election of officers, pursuant to the terms of the Declaration and By-Laws, are as follows:

<u>Name</u>	<u>Office</u>
Carl Palmisciano	President
Steven I. Engel	Vice President
Luis Clark	Secretary/Treasurer

ARTICLE VIII

First Board of Directors

The following persons shall constitute the first Board of Directors and shall serve until their successors are elected and qualified as provided in the By-Laws:

<u>Names</u>	<u>Address</u>
Carl Palmisciano	2514 Hollywood Boulevard Hollywood, Florida 33020
Steven I. Engel	2514 Hollywood Boulevard Hollywood, Florida 33020
Luis Clark	2514 Hollywood Boulevard Hollywood, Florida 33020

ARTICLE IX

Initial Registered Office and Agent

The street address of the initial Registered Office of this Corporation is: 2514 Hollywood Boulevard, Hollywood, Florida 33020, and the name of the initial Registered Agent is Steven I. Engel.

ARTICLE X

By-Laws

The By-Laws shall initially be made and adopted by its first Board of Directors.

Prior to the time the property referred to in Article II hereinabove has been submitted to condominium ownership by the filing of the Declaration, said first Board of Directors shall have full power to amend, alter or rescind the said By-Laws by a majority vote.

B3884 P1230

After the property referred to in Article II hereinabove has been submitted to condominium ownership by the filing of the Declaration, the By-Laws may be amended, altered, supplemented or modified as provided therein.

ARTICLE XI

Amendments

Amendments to these Articles of Incorporation may be proposed by the Board of Directors or a majority of the voting members, and shall be adopted in the same manner as is provided for the amendment of the By-Laws, as set forth in Article X above.

Notwithstanding any of the foregoing provisions of this Article XI to the contrary, no amendment which shall abridge, amend or alter the rights of the Developer may be adopted or become effective without the prior written consent of the Developer.

ARTICLE XII

Powers

This Corporation shall have all the powers set forth in Chapter 617, Florida Statutes, all of the powers set forth in the Condominium Act of the State of Florida, and all powers granted to it by the Declaration and Exhibits thereto annexed.

ARTICLE XIII

Indemnification

Every officer and every Director of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at trial and all appellate levels), reasonably incurred by or imposed upon him in connection with any proceeding or any settlement thereof, to which he may be a part, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is

B3884 P1231

adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement is being made for the best interests of the Association. The foregoing right of indemnification shall be in addition and not exclusive of any other rights to which such Director or officer may be entitled.

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.

ARTICLE XIV

Titles

The titles to the Articles contained herein are for convenience purposes only and shall not be considered in the interpretation or the meaning of the provisions of these Articles of Incorporation.

B3884 P1232

IN WITNESS WHEREOF, the Subscribers hereto have hereunto set their hands and seals this 28 day of June, 1982.

Signed, sealed and delivered in the presence of:

Handwritten signatures of witnesses

Carl Palmisciano (SEAL)
CARL PALMISCIANO

Steven I. Engel (SEAL)
STEVEN I. ENGEL

Luis Clark (SEAL)
LUIS CLARK

STATE OF FLORIDA)
COUNTY OF Broward) ss.:

BEFORE ME, the undersigned authority, personally appeared, Carl Palmisciano, Steven I. Engel, and Luis Clark who, after being by me first duly sworn, acknowledged that they executed the foregoing Articles of Incorporation of Lucerne Lakes Golf Colony Condominium No. 1 Association, Inc., a Florida corporation not for profit, for the purposes therein expressed.

WITNESS my hand and official seal at the State and County aforesaid, this 28 day of June, 1982.

Carl Palmisciano
Notary Public
State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES APR 14 1984
BONDED BY ...

B3884 P1233

JW2-C

FILED

JUL 12 12 02 PM '82

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

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted, in compliance with said Act:

First--That LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, with its principal office, as indicated in the Articles of Incorporation, at City of Hollywood, County of Broward, State of Florida, has named Steven I. Engel as its agent to accept service of process within the State of Florida.

Lawrence J. ...
Subscriber

DATED June 28, 1982

ACKNOWLEDGMENT: (MUST BE SIGNED BY DESIGNATED AGENT)

Having been named to accept service of process for the above-stated Corporation, at the place designated in this Certificate, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all Statutes relative to the proper and complete performance of my duties.

By *Steven I. Engel*
Steven I. Engel
Resident Agent

DATED June 28, 1982

B3884 P.1234

BY-LAWS

OF

LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC.

A FLORIDA CORPORATION NOT-FOR PROFIT

ARTICLE I

IDENTITY

The following By-Laws shall govern the operation of the Condominium created by the Declaration of Condominium ("Declaration") to which these By-Laws are attached.

The Association whose name appears at the end of this instrument is a Florida Corporation not for profit, organized and existing under the laws of the State of Florida for the purpose of administering (but not exclusively unless so provided in the Association's Articles of Incorporation) the Condominium created by the Declaration and for such other purposes as set forth in said Declaration and Exhibits thereto.

Section 1. The Office of the Association shall be at the Condominium Property or at such other place as may be designated by the Board of Directors.

Section 2. The Seal of the Corporation shall bear the name of the Corporation, the word "Florida", the words "Corporation not for profit", and the year of incorporation.

Section 3. As used herein, the word "Corporation" shall be the equivalent of "Association", as defined in the Declaration. All other words, as used herein, shall have the same definitions as attributed to them in the Declaration. As used herein and in the Declaration and the other Exhibits to said Declaration, the terms "Board of Directors" and "Board of Administration" are synonymous.

ARTICLE II

MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership in the Association shall be limited to Unit Owners. Transfer of unit ownership, either voluntary or by operation of law, shall terminate membership in the Association, and said membership is to become vested in the transferee. If unit ownership is vested in more than one person, then all of the persons so owning said Unit shall be members eligible to hold office, attend meetings, etc., but, as hereinafter indicated, the vote of a Unit shall be cast by the "voting member". If unit ownership is vested in a Corporation, said Corporation may designate an individual officer or employee of the Corporation as its "voting member".

Any application for the transfer of membership or for a conveyance of an interest in, or to encumber or lease a Condominium Parcel, where the approval of the Association is required, as set forth in these By-Laws and the Declaration shall be accompanied by an application fee in an amount to be set by the Board of Directors to cover the cost of contacting the references given by the applicant, and such other costs of investigation that may be incurred.

B3884 P.1235

Section 2. Voting.

(a) The owner(s) of each Unit shall be entitled to one (1) vote for each Unit owned. If a Unit owner owns more than one (1) Unit, he shall be entitled to vote for each Unit owned. The vote of a Unit is not divisible.

(b) A majority of the members' votes present in person or by proxy at a duly constituted meeting shall decide any question unless the Declaration, By-Laws or Articles of Incorporation provide otherwise, in which event the voting percentage required in the said Declaration, By-Laws or Articles of Incorporation shall control.

Section 3. Quorum. Unless otherwise provided in these By-Laws, the presence in person or by proxy of a majority of the members' total votes shall constitute a quorum. If, however, such Quorum shall not be present, the President or in his absence, the Vice President; or in his absence, any other appropriate officer or director may adjourn the meeting to a time within fifteen (15) days thereof at the same place to be announced at the meeting by the person adjourning same and a notice of such new meeting ("New Meeting") to be posted conspicuously upon the Condominium Property at least forty-eight (48) hours in advance of the meeting. The meeting shall continue to be adjourned in this manner until a quorum shall be present. Notwithstanding anything contained herein to the contrary, at such New Meeting(s) (if additional meetings are necessary in order to obtain the reduced quorum as hereinafter provided), the presence in person or representation by written proxy of the members holding at least one-third (1/3) of the Unit Owners' total votes shall be requisite to and shall constitute a quorum at such New Meeting or meetings; it being intended that in the event a majority quorum is not obtained at any meeting of the Members, that the quorum requirement be reduced for the purposes of the New Meeting(s). At such New Meeting(s), if necessary, at which a quorum (at least one-third (1/3) of the Unit Owners' total votes present in person or represented by proxy) exists, any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 5) and shall be filed with the Secretary prior to the meeting in which they are to be used and shall be valid only for the particular meeting designated therein and any lawfully adjourned meeting thereof. Where a Unit is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife where a third person is designated. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which the proxy was given.

Section 5. Designation of Voting Member. If a Unit is owned by one person, his right to vote shall be established by the recorded title to the Unit. If a Unit is owned by more than one (1) person, the person entitled to cast the vote for the Unit shall be designated in a Certificate, signed by all of the recorded owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a Corporation, the officer or employee thereof entitled to cast the vote of the unit for the Corporation shall be designated in a Certificate for this purpose signed by the President or Vice-President, attested to by the Secretary or Assistant Secretary of the Corporation, and filed with the Secretary of the Association. The person designated in such Certificate who is entitled to cast the vote for a Unit

B3884 P1236

shall be known as the "voting member". If such a Certificate is not on file with the Secretary of the Association for a Unit owned by more than one person or by a Corporation, the vote of the Unit concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the Unit, except if said Unit is owned by a husband and wife. Such Certificates shall be valid until revoked or until superseded by a subsequent Certificate or until a change in the ownership of the Unit concerned takes place. If a Unit is owned jointly by a husband and wife, the following three provisions are applicable thereto:-

(a) They may, but they shall not be required to, designate a voting member.

(b) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting. (As previously provided, the vote of a Unit is not divisible.)

(c) Where they do not designate a voting member and only one is present at a meeting, the person present may cast the Unit vote just as though he or she owned the Unit individually and without establishing the concurrent of the absent person.

ARTICLE III

MEETING OF THE MEMBERSHIP

Section 1. Place. All meetings of the Association membership shall be held at the Property, or at such other place and at such time as shall be designated by the Board of Directors and stated in the notice of the meeting.

Section 2. Notices. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting, stating the time and place thereof to each Unit Owner appearing upon the records of the Association at least fourteen (14) but not more than thirty (30) days prior to such meeting, and to post at a conspicuous place on the property a copy of the notice of said meeting at least fourteen (14) days prior to said meeting. The provisions of this Section, where applicable shall be modified by the paramount provisions of F.S. 718.112(2)(f) and F.S. 718.301(1) and (2). Notice of any annual or special meeting shall state the purpose thereof and said meeting shall be confined to the matters stated in said notice. All notices shall be mailed to or served at the address of the Unit Owner as it appears on the books of the Association and posted as hereinbefore set forth provided, however, that notice of annual meetings shall be mailed in accordance with F.S. 718.112(2)(d).

Section 3. Annual Meeting. The Annual Meeting for the purpose of electing Directors and transacting any other business authorized to be transacted by the members shall be held once in each calendar year at such time and on such date in each calendar year as the Board of Directors shall determine. At the annual meeting the members shall elect by plurality vote (cumulative voting prohibited), a Board of Directors and shall transact such other business as may properly be brought before the meeting.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by Statute, may be called by the President, and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing

B3884 P.1237

of voting members representing ten (10%) percent of the members' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the matters stated in the notice thereof. The provisions of this Section, where applicable, shall be modified by the paramount provisions of F.S. 718.112(2)(f) and F.S. 718.301(1) and (2).

Section 5. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than three-fourths (3/4ths) of the members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken; however, notice of such action shall be given to all members unless all members approve such action.

Section 6. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Approval or Disapproval of a Unit Owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members provided, however, that where a Unit is owned jointly by a husband and wife and they have not designated one of them as a voting member, their joint approval or disapproval shall be required where they are both present, or in the event only one is present, the person present may cast the vote without establishing the concurrence of the absent person.

ARTICLE IV

DIRECTORS

Section 1. Number, Term and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of not less than three (3) nor more than nine (9) persons, as is determined from time to time by the members. All Officers of a Corporate Unit Owner shall be deemed to be members of the Association so as to qualify as a Director herein. The term of each Director's service shall extend until the next Annual Meeting of the Members, and thereafter, until his successor is duly elected and qualified, or until he is removed in the manner provided in Section 3 below. All Directors shall be Members of the Association provided, however, that all Director(s) that the Developer is entitled to elect or designate need not be Members. Notwithstanding the provisions of the first sentence in this Section, the Developer shall be entitled to determine from time to time the number of the Directors that will govern the affairs of the Association until such time as the Developer is no longer entitled to elect or designate Directors or a Director, pursuant to F.S. 718.301. The Developer shall be entitled to elect or designate all of the Directors of the Association subject to the paramount provisions of F.S. 718.301(1) and pursuant to said F.S. 718.301(1), when Unit Owners other than the Developer own 15% or more of the Units in a Condominium that will be operated by the Association, said Unit Owners, other than the Developer, shall be entitled to elect one-third of the members of the Board of Directors and when Unit Owners, other than the Developer, are entitled to elect not less than a majority of the members of the Board of Directors pursuant to the aforesaid Statute, the number of Directors that shall govern the affairs of the Association shall be determined by the Developer for the period of time hereinbefore provided and during that period of time that the Unit Owners are entitled to elect not less than a

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majority of the members of the Board of Directors, they shall only be entitled to elect a simple majority of the members of the Board of Directors and the remaining Directors shall be elected or designated by the Developer subject to the limitations of the aforesaid Statute. All of the applicable provisions of F.S. 718.301, subject to the terms and provisions hereinbefore set forth, shall be deemed incorporated herein; however, said terms and provisions shall be limited and deemed amended to comply with the applicable provisions of F.S. 718.301 where such provisions of said Statute are determined as a matter of law to apply to and be paramount to the aforesaid terms and provisions of this Section. The use of the term "unit owner" in this Section and pursuant to F.S. 718.301(1), where applicable, means Voting Members, pursuant to Article II, Section 5 of these By-Laws.

Section 2. First Board of Directors.

(a) The first Board of Directors who shall hold office and serve until the first annual meeting of members and until their successors have been elected and qualified, shall consist of the following:

Carl Palmisciano
Steven Engel
Luis Clark

(b) The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election, at such place and time as shall be fixed by the Chairman of the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

Section 3. Removal of Directors. Subject to the provisions of F.S. 718.301, any one or more of the Directors may be recalled and removed from office, with or without cause, by the affirmative vote of the voting members or agreement in writing by a majority of all voting members, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below. A special meeting of the members to recall a Director or Directors may be called by ten (10%) percent of the members giving notice of the meeting as required for a special meeting of members and the notice shall state the purpose of the meeting. Any Director designated by the Developer may be removed by the Developer and such vacancy filled by the Developer.

Section 4. Vacancies on Directorate. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors who shall hold office for the balance of the unexpired term in respect to which such vacancy occurred. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.

Section 5. Disqualification and Resignation of Directors. Any Director may resign at any time by sending a written notice of such resignation to the office of the Corporation, delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. Commencing with the organizational meeting of a newly elected Board of Directors following the first annual

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meeting of the members of the Association, more than three (3) consecutive absences from regular meetings of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. Commencing with the Directors elected at such first annual meeting of the membership, the transfer of title of his Unit by a Director elected by the Members and not designated by the Developer shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors. No member shall continue to serve on the Board should he be more than thirty (30) days delinquent in the payment of an assessment, and said delinquency shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors. Except for Directors designated by or elected as officers of the Developer all Directors must reside in the Condominium at least nine (9) months a year.

Section 6. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings shall, nevertheless, be given to each Director personally or by mail, telephone or telegraph at least five (5) days prior to the day named for the meeting and notices of such meetings shall be posted conspicuously on the Condominium property at least 48 hours in advance of such meeting except in an emergency.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the President and, in his absence, by the Vice-President or by a majority of the members of the Board of Directors by giving five (5) days' notice in writing to all of the members of the Board of Directors of the time and place of said meeting except in an emergency. All notices of special meetings shall state the purpose of the meeting and a copy of same shall be posted conspicuously on the Condominium property at least 48 hours in advance of such meeting except in an emergency.

Section 8. Directors' Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at such meetings at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At each such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without further notice.

Section 10. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration, this Association's Articles of Incorporation, or these By-Laws, directed to be exercised and done by unit owners. These powers shall specifically include, but shall not be limited to, the following:

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(a) To exercise all powers specifically set forth in the Declaration of Condominium, this Association's Articles of Incorporation, in these By-Laws, and in the Condominium Act, and all powers incidental thereto.

(b) To make assessments, collect said assessments, and use and expend the assessments to carry out the purposes and powers of the Association.

(c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the Condominium, and of the common areas and facilities, and the surface water management system and water management portions of the common elements, including the right and power to employ attorneys, accountants, contractors, and other professionals.

(d) To make and amend rules and regulations respecting the operation and use of the Common Elements and Condominium Property and facilities, and the use and maintenance of the Units therein.

(e) To contract for the management of the Condominium Property.

(f) The further improvement of the Condominium Property, both real and personal, and the Recreation Area and the right to purchase realty and items of furniture, furnishings, fixtures and equipment for the foregoing, and the right to acquire and enter into agreements pursuant to the applicable Florida Statutes, and as amended, subject to the provisions of the Declaration of Condominium, this Association's Articles of Incorporation and these By-Laws.

(g) Designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three members of the Association. The Committee or Committees shall have such name or names as may be determined from time to time by the Board of Directors, and said Committee(s) shall keep regular Minutes of their proceedings and report the same to the Board of Directors, as required. The foregoing powers shall be exercised by the Board of Directors or its contractor or employees, subject only to approval by Unit Owners when such is specifically required.

(h) To enter into and upon the Units when necessary and at as little inconvenience as practical in connection with the maintenance, care and preservation of Common Elements and Association owned personal property.

(i) To use and to expend the Assessments collected to maintain, care for and preserve the Units, the Common Elements, the Limited Common Elements, and the Condominium Property (other than the interiors of the Units which are to be maintained, cared for and preserved by the individual Unit Owners).

(j) To pay taxes and Assessments levied and assessed against any real property the corporation might own and to pay for such equipment and tools, supplies and other personal property purchased for use in such maintenance, care and preservation.

(k) For the purpose of preservation, care and restoration of Condominium Property, each owner of a Unit grants a perpetual easement in the event of an emergency to the then existing Board of Administration or its duly authorized agents to

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enter into his Unit at any reasonable time (or at any time if the necessities of the situation should require).

(l) To repair and replace Common Element and Limited Common Element facilities, machinery and equipment.

(m) To insure and keep insured the owners against loss from public liability and to carry such other insurance as the Board of Directors may deem advisable; and in the event of damage or destruction of property, real or personal, covered by such insurance, to use the proceeds for repairs and replacement, all in accordance with the provisions of the Declaration of Condominium.

(n) To review all complaints, grievances or claims of violations of the Declaration of Condominium, Exhibits thereto, the Condominium Act and the rules and regulations promulgated by the Association, and to assess fines and establish a uniform procedure for determining whether such violations occurred and whether fines should be assessed. Such procedure may be set forth in the rules and regulations promulgated by the Board of Directors and as set forth in Article VII hereof.

(o) To collect delinquent Assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from Unit Owners for violations of the Declaration, these By-Laws or Rules and Regulations adopted by the Board of Administration and to exercise any remedies for violations of the Condominium Documents available to the Association.

ARTICLE V

OFFICERS

Section 1. Elective Officers. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice-President shall be members of the Board of Directors. The Board may elect Assistant Secretaries and Assistant Treasurers and such other Officers as the Board of Directors deems necessary.

Section 2. Election. The Officers of the Association designated in Section 1 above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members.

Section 3. Term. The Officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any Officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors provided, however, that no Officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors (e.g., if the Board of Directors is composed of five persons, then three of said Directors must vote for removal). If the office of any Officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 4. The President. He shall be the chief executive officer of the Association; he shall preside at all meetings of the unit owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 5. The Vice-President. He shall perform all of the duties of the President in his absence and such other duties as may be required of him from time to time by the Board of Directors.

Section 6. The Secretary. He shall issue notices of all Board of Directors' meetings and all meetings of Unit Owners; he shall attend and keep the Minutes of same; he shall have charge of all of the Association's books, records and papers, except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

Section 7. The Treasurer.

(a) He shall have custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each Unit in the manner required by F.S. (718.111(7)), including (a) and (b) thereunder.

(b) He shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

(c) He shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

(d) He shall give status reports to potential transferees on which reports the transferees may rely.

(e) The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

ARTICLE VI

FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association.

Section 2. Fidelity Bonds. The Treasurer and all Officers who are authorized to sign checks, and all Officers and employees of the Association, and any contractor handling or responsible for Association funds, shall be bonded in such amount as may be determined by the Board of Directors. The premiums on such Bonds shall be paid by the Association. The Bond shall be in an amount sufficient to equal the monies an individual handles or has control of via a signatory or a bank account or other depository account.

Section 3. Calendar Year. The Association shall be on a calendar year basis. The Board of Directors is authorized to change to a fiscal year in accordance with the provisions and

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regulations from time to time prescribed by the Internal Revenue Code of the United States of America at such time as the Board of Directors deems it advisable. Notwithstanding the foregoing, the Board of Directors may not change to a fiscal year for the Association, as hereinbefore provided, without the approval of the member or all of the members of the Board of Directors that are elected or designated by the Developer, pursuant to F.S. 718.301(1) and these By-Laws, and when the Developer is no longer entitled to elect a member of the Board of Directors, said Board of Directors may not change a fiscal year for the Association, as hereinbefore provided, without the approval of the Developer as long as the Developer is offering Units for sale in this Condominium. The setting of a fiscal year, as provided herein, shall not affect the applicable provisions of Article III, Section 3, of these By-Laws as to the requirement of one annual meeting in each calendar year, as set forth therein.

Section 4. Determination of Assessments.

(a) The Board of Directors shall fix and determine from time to time the sum or sums necessary and adequate for the Common Expenses of the Condominium. Common Expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the Limited Common Elements (except where designated a Unit Owner expense), costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as Common Expenses from time to time by the Board of Directors, or under the provisions of the Declaration. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect Assessments and to lease, maintain, repair and replace the Common Elements and Limited Common Elements. Funds for the payment of Common Expenses shall be Assessed against the Unit Owners in the proportions or percentages of sharing Common Expenses, as provided in the Declaration. Said Assessments shall be payable monthly and shall be due on the first day of each month in advance, unless otherwise ordered by the Board of Directors. Special Assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular Assessments, and shall be payable in the manner determined by the Board of Directors. The Board of Directors shall fix and determine Assessments in the nature of fines and penalties as provided in Article VII of these Bylaws.

(b) When the Board of Directors has determined the amount of any Assessment, the Treasurer of the Association shall cause a statement of said Unit Owner's Assessment to be mailed or presented to each such Unit Owner. All Assessments shall be payable to the Association.

(c) The Board of Directors shall adopt an operating budget for each fiscal year.

Section 5. Application of Payments and Commingling of Funds. All sums collected by the Association from Assessments may be co-mingled in a single fund or divided into more than one fund as determined by the Board of Directors. All Assessment payments by a Unit Owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, expenses and advances, as provided herein and in the Declaration, and general or special Assessments in such manner and amounts as the Board of Directors determines in its sole discretion.

Section 6. Acceleration of Assessment Installments Upon Default. If a unit owner shall be in default in the payment of

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an installment upon any Assessment, the Board of Directors may accelerate the remaining installments for the fiscal year upon notice thereof to the Unit Owner and, thereupon, the unpaid balance of the Assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the Unit Owner.

Section 7. An audit or financial report, which need not be certified, of the accounts of the Association shall be made annually commencing with the fiscal year after the year in which the first annual meeting takes place, as provided for in Article III, Section 3 of these By-Laws. Said audit or financial report shall be prepared by such accountant as the Board of Directors determines and a copy of said report shall be available to the members of the Association in the office of said Association and with the Treasurer of the Association. Such report shall be available not later than sixty (60) days after the end of the year for which the report is made. The Board of Directors is only required to render a statement for each fiscal year no later than sixty (60) days after the end of the year, and said statement shall be made available to the members of the Association and during this time the Board of Directors shall cause a continual internal audit of accounts of the Association to be performed; however, no independent or external audit by an accountant or other parties is required during such time as the Developer has the right to elect the majority of the Board of Directors.

ARTICLE VII

COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the non-payment of an Assessment) by the Unit Owner, his Tenant or their respective families, guests, invitees, agents, or employees in any of the provisions of the Declaration of Condominium, of these By-Laws, of the applicable portions of the Condominium Act, or the Rules and Regulations of the Association, the Board of Directors, in addition to any other remedies that may be available, shall, at its option, have the following elections with respect to any such violation(s):

(a) An action to recover damages on behalf of the Association or on behalf of the other Unit Owners.

(b) An action to enforce performance on the part of the Unit Owner; or

(c) An action for such equitable relief as may be desired or necessary under the circumstances, including injunctive relief, or

(d) A fine or penalty as set forth in Section 2 of this Article VII.

Any Unit Owner liable for such violation or noncompliance shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action. Failure on the part of the Association to maintain such action at law or in equity within thirty (30) days from date of a written request, signed by a Unit Owner, sent to the Board of Directors, shall authorize any Unit Owner to bring an action in equity or suit at law on account of the violation in the manner provided for in the Condominium Act. Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and the cost thereof shall be charged to the Unit Owner as a specific item, which shall be a

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lien against said unit with the same force and effect as if the charge were a part of the common expenses.

Section 2. Fines or Penalties. In addition to all other remedies that may be otherwise available to the Association, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon a Unit Owner for failure of a Unit Owner, his family, guests, invitees, agents, employees, tenants (or their family, guests, invitees, agents or employees) or any occupant of a Unit or to comply with (or any of such person or persons has violated) any covenant, restriction, rule or regulation, or other matter contained herein, in the Articles of Incorporation of the Association, the By-Laws of the Association, or the Rules and Regulations promulgated by the Board of Directors, as any of the same are now constituted or as they may be amended from time to time, provided the following procedures are followed:

(a) Notice: The Association shall notify the Unit Owner of the infraction or infractions. Included in the notice shall be a date the Unit Owner shall be permitted an opportunity to present reasons why the penalty or penalties should not be imposed. The Notice shall be deemed given when mailed or hand delivered to the Unit owned by such Unit Owner or mailed to such other address as requested by such Unit Owner in writing.

(b) Hearing: Noncompliance shall be presented to the Board of Directors after which the Unit Owner may make a presentation as to why the penalty or penalties should not be imposed. Any interested Unit Owner shall be permitted to address the Board of Directors with respect to such matter.

(c) Penalties: The Board of Directors may, in its sole discretion, impose fines (which shall be considered Assessments solely against such Unit Owner and his Unit) if it determines that the alleged noncompliance or violation has occurred as follows:

(1) First Noncompliance or Violation: A fine not in excess of \$50.00.

(2) Second Noncompliance or Violation: A fine not in excess of \$150.00.

(3) Third and Subsequent Noncompliance or Violation(s) which are of a Continuing Nature: A fine not in excess of \$500.00 (or a fine not in excess of \$500.00 per month, in the event of noncompliance or violation which is of a continuing nature).

(d) Payment of Penalties: Fines shall be paid not later than thirty (30) days after the imposition or assessment of the penalty.

(e) Collection of Penalties: Fines shall be treated as an Assessment subject to the provisions for collection of Assessments.

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

Section 3. Negligence or Carelessness of Unit Owner, Etc. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to

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the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance company of rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this Section, shall be charged to said Unit Owner as a specific item, which shall be a lien against said Unit with the same force and effect as if the charge were a part of the Common Expenses.

Section 4. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees, including costs and reasonable attorney's fees on appeal, as may be determined by the Court.

Section 5. No Waiver of Rights. The failure of the Association or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium documents, shall not constitute a waiver of the right of the Association or unit owner to enforce such right, provision, covenant or condition in the future.

Section 6. Election of Remedies. All rights, remedies and privileges granted to the Association or Unit Owner, pursuant to any terms, provisions, covenants or conditions of the Condominium documents, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by Condominium Documents or at law or in equity.

ARTICLE VIII

ACQUISITION OF UNITS

Section 1. Voluntary Sale or Transfer. Upon receipt of a Unit Owner's written notice of intention to sell or lease, as described in Article XI of the Declaration of Condominium to which these By-Laws are attached, the Board of Directors shall have full power and authority to consent to the transaction, as specified in said Notice, or object to same for good cause, or to designate a person other than the Association as designee, pursuant to the provisions of said Article XI without having to obtain the consent of the membership thereto. The Board of Directors shall have the further right to designate the Association as being "willing to purchase, lease or rent" upon the proposed terms, upon adoption of a resolution by the Board of Directors recommending such purchase or leasing to the membership, but notwithstanding the adoption of such resolution and such designation by the Board of Directors, the Association shall not be bound and shall not so purchase or lease except upon the authorization and approval of the affirmative vote of voting members casting not less than sixty (60%) percent of the total votes of the members present at any regular or special meeting of the members wherein said matter is voted upon. The provisions of Article XI of the Declaration of Condominium to which these By-Laws are attached shall supersede the provisions herein relative thereto.

Section 2. Acquisition on Foreclosure. At any foreclosure sale of a unit, the Board of Directors may, with the authorization and approval by the affirmative vote of voting members

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casting not less than sixty (60%) percent of the total votes of the members present at any regular or special meeting of the members wherein said matter is voted upon, acquire in the name of the Association, or its designee, a Condominium parcel being foreclosed. The term "foreclosure", as used in this Section, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a Condominium parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the said Board of Directors or of the Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the voting members be obtained. The Board of Directors shall not be required to obtain the approval of unit owners at the foreclosure sale of a unit due to the foreclosure of the Association's lien for assessments under the provisions of Article X of the Declaration of Condominium to which these By-Laws are attached, notwithstanding the sum the Board of Directors determines to bid at such foreclosure sale.

ARTICLE IX

AMENDMENTS TO THE BY-LAWS

The By-Laws may be altered, amended or added to at any duly called meeting of the unit owners, provided:

(1) Notice of the meeting shall contain a statement of the proposed Amendment.

(2) If the Amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the voting members casting a majority of the total votes of the Members of the Association present in person or by proxy at such meeting.

(3) If the Amendment has not been approved by the unanimous vote of the Board of Directors, then the Amendment shall be approved by the affirmative vote of the voting members casting not less than three-fourths (3/4ths) of the total votes of the members of the Association present in person or by proxy at such meeting.

(4) Said Amendment shall be recorded and certified as required by the Condominium Act.

(5) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval when required of the parties specified in Article VIII of the Declaration of Condominium to which these By-Laws are attached.

ARTICLE X

NOTICES

Whatever notices are required to be sent hereunder shall be delivered or sent in accordance with the applicable provisions for notices as set forth in the Declaration of Condominium to which these By-Laws are attached and, where applicable, in accordance with F.S. 718 et seq.

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ARTICLE XI

INDEMNIFICATION

The Association shall indemnify every Director and every Officer, his heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or Officer of the Association, including reasonable counsel fees to be approved by the Association, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE XII

LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Association shall not relieve or release any such former owner or member from any liability or obligations incurred under or in any way connected with the Condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIII

LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair certain portions of the Condominium Property and where applicable the recreation facilities, the Association shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements or by other owners or persons.

ARTICLE XIV

PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Condominium Act, the Declaration, the Association's Articles of Incorporation or these By-Laws.

ARTICLE XV

LIENS

Section 1. Protection of Property. All liens against a Unit, other than for permitted mortgages, taxes or special assessments, shall be satisfied or otherwise removed within thirty (30) days of the date the lien attaches. All taxes and special assessments upon a Unit shall be paid before becoming delinquent, as provided in these Condominium Documents or by law, whichever is sooner.

Section 2. Notice of Lien. A Unit Owner shall give notice to the Association of every lien upon his unit, other than for permitted mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

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Section 3. Notice of Suit. Unit Owners shall give notice to the Association of every suit or other proceeding which will or may affect title to his unit or any part of the property, such notice to be given within five (5) days after the unit owner receives notice thereof.

Section 4. Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

Section 5. Permitted Mortgage Register. The Association may maintain a register of all permitted mortgages, and at the request of a mortgagee, the Association shall forward copies of all notices for unpaid assessments or violations served upon a unit owner to said mortgagee. If a register is maintained, the Association may make such charge as it deems appropriate against the applicable unit for supplying the information provided herein.

ARTICLE XVI

RULES AND REGULATIONS

Section 1. The Board of Directors may from time to time adopt or amend previously adopted administrative Rules and Regulations governing the details of the operation, use, maintenance, management and control of the Common Elements of the Condominium and any facilities or services made available to the Unit Owners. A copy of the Rules and Regulations adopted from time to time as herein provided shall, from time to time, be posted in a conspicuous place and/or copies of same shall be made available for review and inspection by each Unit Owner.

Section 2. As to Condominium Units. The Board of Directors may from time to time adopt or amend previously adopted Rules and Regulations governing and restricting the use and maintenance of the Unit(s), provided however, that copies of such Rules and Regulations, prior to the time the same become effective, shall be posted in a conspicuous place on the Condominium's Property and/or copies of same shall be furnished to each Unit Owner.

Section 3. Conflict. In the event of any conflict between the Rules and Regulations adopted, or from time to time amended, and the Condominium documents, or the Condominium Act, the latter shall prevail. If any unrescinded conflict should exist or hereafter arise with respect to the interpretation of these By-Laws as between these By-Laws and the Declaration of Condominium, the provisions of said Declaration shall prevail.

ARTICLE XVII

PROVISO

The invalidity of any delegation of a power and/or duty by the Board of Directors shall not affect the remainder of the Condominium Documents and the remainder of said Documents shall be deemed valid. Wherever the masculine form of pronoun is used it shall be deemed to mean the masculine, feminine or neuter, and the singular shall include the plural and vice versa where the content so requires.

APPROVED AND DECLARED as the By-Laws of the Association named below.

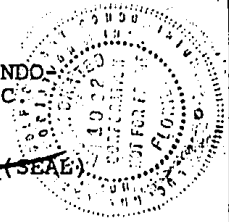
B3884 P.1250

DATED this 7th day of February 1983.

LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC.

By: Carl Palmisciano (SEAL)
Carl Palmisciano,
President

Attest: Luis Clark (SEAL)
Luis Clark, Secretary
ASSOCIATION



This is not a certified copy

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 7th day of February, 1983 by Carl Palmisciano and Luis Clark as President and Secretary, respectively, of Lucerne Lakes Golf Colony Condominium No. 1 Association, Inc., a Florida corporation.

My Commission Expires:

Notary Public, State of Florida
My Commission Expires Nov. 11, 1984
Bonded thru Fidelity Insurance, Inc.

Rayanne Flores
Notary Public, State of Florida



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MANAGEMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the 7th day of February, 1983, by and between LUCERNE LAKES GOLF COLONY CONDOMINIUM NO. 1 ASSOCIATION, INC., a Florida corporation not for profit ("Association") and AREEA MANAGEMENT CO., INC., a Florida Corporation ("Manager").

W I T N E S S E T H :

WHEREAS, the Association is the entity responsible for the operation and management of Lucerne Lakes Golf Colony No. 1 Condominium ("Condominium") created (or to be created) by the Declaration of Condominium therefor recorded (or to be recorded) in the Public Records of Palm Beach County, Florida (the "Declaration"); and

WHEREAS, the Association desires to retain the Manager, and the Manager desires to be retained, to provide certain management and maintenance services as hereinafter provided.

NOW, THEREFORE, for good and valuable considerations received by each party from the other, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. EXCLUSIVE MANAGER. The Association hereby appoints the Manager as the exclusive manager of the Condominium, subject to the terms and conditions hereinafter specified, and the Manager hereby accepts such appointment.

2. TERM. The term of this Agreement shall commence on the closing of the first Unit in the Condominium and shall continue for a period of ten (10) years unless terminated at any time as follows: (a) by the Association with or without cause upon at least thirty (30) days prior written notice to the Manager or (b) by the Manager with or without cause upon at least one hundred twenty (120) days prior written notice to the Association, and as hereinafter provided.

3. MANAGER'S DUTIES. During the term hereof the Manager shall perform the following services:

- a. Engage such person(s) on a full or part time basis (but no fewer than one) as may be necessary to properly maintain and operate the Condominium, it being understood that all such personnel shall be subject to the prior written approval of the Association and shall be engaged by the Manager as agent for the Association; provided, however, no person shall be so engaged without the prior written approval of the Association. Any such person(s) may be engaged on a part-time basis. Upon Association request, the Manager shall cause all persons the Association deems unnecessary or undesirable to be discharged, with or without cause.
- b. Provide the day-to-day bookkeeping services necessary to pay the bills of the Association, the payroll of its employees, and any other debts approved by the Association. This service shall include, but not be limited to, keeping all records of and performing all services in connection with the payment of bills, payrolls and such other items as may be provided for in the annual budget of the Condominium (the "Budget").

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- c. Collect, on behalf of the Association, all common expenses, charges, assessments, rentals or other payments from unit owners and concessionaires, and other monies and debts which may become due to the Association, and, in the event of default in any such payment, after prior written approval of the Association take all such legal or other action in the name of the Association as may be necessary or appropriate to enforce any rights which the Association may have as a result of such default.

d. Supervise the maintenance, repair and replacement of all property which the Association is responsible for maintaining, repairing and replacing, in accordance with the Declaration and in accordance with maintenance standards established from time to time by the Association. All such services shall be planned and made consistent with the Budget or the maintenance schedule of the Association.

- e. Take such action as may be necessary to assist the Association in causing the Association, the Manager, unit owners and occupants of units to comply with all laws, statutes, ordinances and rules of all appropriate governmental authorities having jurisdiction, and with the Declaration, Articles of Incorporation and By-Laws of the Association and applicable rules and regulations, in connection with the operation of the Condominium and the performance of this Agreement.

- f. Purchase, on behalf of and in the name of the Association, all tools, equipment, supplies and materials as may be necessary or desirable for the maintenance and upkeep of the Condominium. All such purchases shall be subject to the prior written consent of the Association unless provided for in the Budget.

- g. Subject to the prior written consent of the Association, enter into contracts on behalf of the Association for services that the Association shall require.

- h. Check all bills received by the Association for services, work and supplies ordered in connection with maintaining and operating the Condominium, and cause to be paid by the Association all such proper bills as and when the same become due and payable.

- i. Prepare, review and analyze periodic financial statements with comparative Budget figures, including a proposed annual operating Budget (at least thirty (30) days prior to the end of each fiscal year of the Condominium) complying with applicable law, the Declaration and By-Laws, and submit such statements and Budget promptly to the Association.

- j. Maintain appropriate records of all insurance coverages carried by the Association.

- k. Accept applications and references from all prospective unit purchasers and aid the Association in facilitating transfers and leasing of

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units. This shall not apply to any units owned by the "Developer," as defined in the Declaration.

1. Prepare and file the necessary forms for unemployment insurance, withholding and social security taxes and all other taxes and other forms relating to employment of the Association's employees and maintenance and operation of the Association as required by federal, state or municipal authorities.

m. Prepare and send all letters, reports and notices as may be reasonably requested by the Board of Directors of the Association, and attend, if requested, all meetings of Directors and unit owners, and type and distribute minutes thereof as requested by the Association.

- n. Cause all required insurance to be carried and maintained in full force and effect and assist the Association in making appropriate adjustments with the insurance companies and causing all of insurance proceeds to be promptly paid when due.

o. Deposit all funds collected from unit owners and others into a bank account established by the Manager as custodian for the Association so that said funds may be withdrawn therefrom to pay all expenses of operation and maintenance of the Condominium as contemplated herein.

p. Generally, do all things deemed reasonably necessary or desirable by the Association to attend to the proper maintenance, operation and management of the Condominium and the Condominium's and the Association's property as required by the Declaration, the Articles of Incorporation and By-Laws of the Association, applicable rules and regulations, this Agreement and all other agreements, documents and instruments affecting the Association, the Condominium or the unit owners, except those things which may not be so delegated under the above documents and applicable law.

q. Assist the Association in causing all acts and things to be done in or about the Condominium as is necessary to comply with any and all orders or violations affecting the premises, placed thereon by any governmental authority having jurisdiction thereof.

r. Solicit, analyze and compare bids and negotiate contracts for execution by the Association for the services of contractors for garbage and trash removal, vermin extermination and other services; assist the Association in purchasing all tools, equipment, and supplies which shall be necessary to properly maintain and operate the Condominium; and make all such contracts and purchases in either the Association or the Manager's name after receiving Association approval to do so.

s. Assist the Association in considering and where reasonable, attending to the complaints of the Unit Owners or their tenants, if such are permitted by the Declaration and By-Laws.

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The specific services, obligations and responsibilities to provide maintenance and/or management to the Association and the Unit Owners, the amount of money to be paid for each service, obligation or responsibility, and a time schedule as to how often the service, obligation or responsibility is to be performed, and the minimum number of personnel to be employed to provide maintenance or management services as is set forth on the Rider attached hereto and made a part hereof.

4. DEPOSITS. All funds collected by the Manager for the account of the Association shall be deposited in a bank, the deposits of which are insured by an agency of the United States or in such other manner as the Association shall direct. Such account(s) or other investment(s) will be styled so as to indicate the custodial nature thereof and the funds therein will not be commingled with other funds collected by the Manager as agent for others or otherwise. The Manager shall not be liable for any loss resulting from the insolvency of such depository or the loss of such investment(s) if directed to invest by the Association.

5. AGENCY. All actions taken by the Manager with respect to management and maintenance under the provisions of this Agreement shall be taken as agent for the Association, and all obligations or expenses incurred in the performance of the Manager's duties and obligations shall be for the account, on behalf and at the expense of the Association. The Manager shall not be obligated to make any advances to or for the account of the Association or to pay any sum, except out of funds held or provided by the Association or by its members or occupants of units, nor shall the Manager be obligated to incur any liability or obligation on behalf of the Association without assurance that the necessary funds for the discharge thereof will be provided. Since the Manager will be acting at all times for and on behalf of the Association, it is understood and agreed that the public liability insurance carried and maintained by the Association shall be extended to and shall cover the Manager, its agents and employees, as well as the Association, all at the expense of the Association. The Association agrees to indemnify and hold the Manager harmless from any and all liabilities for any injury, damage or accident to any member of the Association, a guest, lessee or invitee of any such member or to any third person, and for any damage to property, arising out of the performance of its duties hereunder, except if the same is caused by the negligence or willful misconduct of the Manager or any of its agents, servants, employees or contractors.

6. COST REIMBURSEMENT. Any expenses incurred by the Manager in the performance of its duties hereunder, over and above (i) salaries of its employees and officers, and (ii) office expenses and overhead, shall be reimbursed to the Manager as the same are expended by it on behalf of the Association. The Manager's compensation is determined by the provisions of Paragraph 10 and nothing contained herein is intended to compensate the Manager over and above that compensation for its services rendered pursuant to this Agreement. This Paragraph is intended to provide a method for the Manager to receive from the Association costs advanced on the Association's behalf to contractors, subcontractors and laborers, and for supplies necessary to maintain the Condominium's and the Association's property.

7. MANAGER'S UNDERTAKING. The Manager, by its execution of this Agreement, assumes and undertakes to perform, carry out and administer all management, operational and maintenance responsibilities imposed upon the Association as set forth in the Declaration and as herein provided (subject to the limitation set forth in Paragraph 3p hereof). Such assumption of obligations is limited, however, to operation, management and maintenance as

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agent, and does not require the Manager to pay any of the costs and expenses which are the obligation of the Association, except as specifically in this Agreement assumed by the Manager.

8. CANCELLATION. If the Association defaults by failing to make the payments required to be made hereunder, or by continuing to violate any law, ordinance or statute after notice from the appropriate governmental authority, and after having failed to commence to resist or test such ordinance or statute by appropriate legal action, or for any other reason, then, after giving thirty (30) days' written notice of the Manager's intent to cancel, unless the default is cured within such thirty (30) day period or, in the case of a default requiring more than thirty (30) days to cure, unless within such period reasonable steps have been taken to cure such default and such cure is diligently pursued thereafter, the Manager shall have the right, upon the giving of fifteen (15) days' additional written notice, to cancel this Agreement, and this Agreement will thereupon be cancelled, effective on a date (specified in such fifteen (15) day notice) not less than fifteen (15) days after the giving of such notice. Anything to the contrary herein notwithstanding, this Agreement may be cancelled: (a) on one hundred twenty (120) days' prior written notice by the Manager to the Association with or without cause or (b) on thirty (30) days' prior written notice by the Association to the Manager with or without cause. This Agreement may also be cancelled in the manner provided in the applicable provisions of the Florida Condominium Act, Florida Statutes, Section 718.302. The Association at the request of the Developer shall change the cancellation provisions and the term of this Agreement in order to conform to the regulations of the following entities as they may from time to time exist: (i) Federal National Mortgage Association; (ii) Government National Mortgage Association; (iii) Federal Home Loan Mortgage Corporation; and/or (iv) Federal Housing Administration/Veterans Administration and the Manager hereby agrees to any such change.

9. COMPENSATION. In addition to the reimbursement of costs provided for in Paragraph 6, the Association shall pay the Manager for its services called for hereunder the following:

\$6.00 per unit per month for the first year of the Management Agreement
\$6.50 per unit per month for the second year of the Management Agreement
\$7.00 per unit per month for the third year of the Management Agreement
\$8.00 per unit per month for the fourth year of the Management Agreement
\$8.50 per unit per month for the fifth year of the Management Agreement
\$8.75 per unit per month for the sixth year of the Management Agreement
\$9.00 per unit per month for the seventh year of the Management Agreement
\$9.25 per unit per month for the eighth year of the Management Agreement
\$9.50 per unit per month for the ninth year of the Management Agreement
\$9.75 per unit per month for the tenth year of the Management Agreement

In addition to the foregoing, a bookkeeping fee of \$60.00 per month shall be paid by the Association. Such fee shall be prorated on a daily basis for any partial fiscal year of the Condominium during the term hereof.

10. PAYMENT. All actual costs as referred to in Paragraph 6 hereof incurred by the Manager for the account of the Association shall be paid monthly on or before the first day of each month, or reimbursed to the Manager at such time or at the time incurred. Payment of the fees in compensation to the Manager shall be due in advance, on the first day of each and every month during the term hereof.

11. DESIGNATION. Each party shall designate a single individual who shall be authorized to deal with the other party on any matter relating to this Agreement. In the absence of any such designation, the President of the Association and the President of the Manager shall have this authority.

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12. TERMINATION. Upon the effective date of any termination or cancellation, the Association shall not be obligated for any additional fees to the Manager, and the Manager shall turn over and make available to the Association all properties, records and funds of every kind and character in the possession or control of the Manager which relate to the Condominium or the Association or the performance of the Manager's duties hereunder.

13. NOTICES. All notices hereunder or relating hereto shall be in writing and shall be effective two (2) business days after being deposited in the United States mail, with proper postage, by certified mail, return receipt requested, and addressed:

If to the Association:

Steven Engel
2415 Hollywood Boulevard
Hollywood, Florida 33020

If to the Manager:

AREEA Management Co., Inc.
9200 South Dadeland Boulevard
Suite 225, Dadeland Tower North
Miami, Florida 33151
Attention: Michael Richter

or to such other address as either party shall, from time to time, designate for itself in writing, to the other party, provided that notice of any change of address shall not be effective until received.

14. INDEPENDENT CONTRACTOR. Unless specifically provided to the contrary herein, the Manager, its employees and agents, shall be deemed to be independent contractors and not employees of the Association. The Manager shall be free to contract for similar services to be performed for other entities.

15. EFFECT. This Agreement contains the entire understanding of the parties with respect to the subject matters hereof, and shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

[SEE ONE PAGE RIDER ATTACHED HERETO AND MADE A PART HEREOF.]

Signed, sealed and delivered
in the presence of:

Marianne Decco
Michelle Lopez
(As to the Association)

"Association"

By Care Allen (SEAL)
President

Signed, sealed and delivered
in the presence of:

Eleanor Whelan
Jana Roberts
(As to the Manager)

"Manager"

(SEAL)
By [Signature] (SEAL)
Vice President

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JW4/B

RIDER TO MANAGEMENT AGREEMENT

A. The following subparagraphs of Paragraphs 3 of the Management Agreement, entitled "Manager's Duties," are hereby designated as "ON-SITE SUPERVISORY SERVICES": a; d; e; f; and p.

The services to be performed pursuant to said subparagraphs shall be provided on an as-needed basis.

B. The following subparagraphs of Paragraph 3 of the Management Agreement are hereby designated as "ADMINISTRATIVE SERVICES": b; c; g; j; k; m; and n.

Services to be performed pursuant to said subparagraphs shall be provided on an as-needed basis.

C. The following subparagraphs of Paragraph 3 of the Management Agreement are hereby designated as "ACCOUNTING SERVICES": h; i; l; and o.

D. Certain of the services as designated in the above paragraphs contain areas of responsibility which will be performed on either a weekly, monthly, quarterly or annual basis, or more frequently as needed in accordance with generally accepted management principles, or as may be required by any governmental authority.

E. At no time shall there be less than one person employed by the Manager on a full or part-time basis for the purpose of providing any of the services specified herein.

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JW4/C

THE DECLARANT IS NOT OBLIGATED TO DEVELOP OR HAVE RECREATION AREA 1 BECOME A PART OF THE COMMUNITY PROPERTIES UNLESS PRIOR TO DECEMBER 31, 1983, 50 UNITS IN LUCERNE LAKES GOLF COLONY PROJECT ("PROJECT") HAVE BEEN CONVEYED TO PURCHASERS THEREOF, AT WHICH TIME THE DECLARANT SHALL DEVELOP AND CONVEY RECREATION AREA 1 TO LUCERNE LAKES GOLF COLONY COMMUNITY ASSOCIATION, INC. ("ASSOCIATION"). THE DECLARANT IS NOT OBLIGATED TO DEVELOP OR HAVE RECREATION AREA 2 BECOME A PART OF THE COMMUNITY PROPERTIES UNLESS PRIOR TO DECEMBER 31, 1989, 376 UNITS IN THE PROJECT HAVE BEEN CONVEYED TO PURCHASERS THEREOF, AT WHICH TIME THE DECLARANT SHALL DEVELOP AND CONVEY RECREATION AREA 2 TO THE ASSOCIATION. THE DECLARANT RESERVES THE RIGHT AND OPTION, HOWEVER, TO CONVEY A PORTION OR ALL OF THE COMMUNITY PROPERTIES PRIOR TO ANY REQUIRED DATE OF CONVEYANCE.

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS

FOR

LUCERNE LAKES GOLF COLONY

THIS DECLARATION is made on this 7th day of February, 1982, by LUCERNE LAKES GOLF COLONY, INC., a Florida corporation, hereinafter referred to as "Declarant."

R E C I T A L S :

A. DCA of Lake Worth, Inc., a Florida corporation ("DCA"), is the owner and holder of options to purchase certain properties including, but not limited to, those properties comprising the Project (the legal description of which "Project" is attached hereto as Exhibit "C" and made a part hereof) which options to purchase are contained in that certain Option Agreement dated the 15th day of December, 1976, as subsequently amended, by and between Florida Gardens Land and Development Company, a Florida corporation, and Landel/Lucerne, Inc., which was assigned to DCA and a memorandum which was recorded in the Public Records of Palm Beach County, Florida.

B. Options to purchase certain portions of the Project may be assigned by DCA to Declarant and/or various other respective developers of property in the Project ("Project Developers").

C. As hereinafter provided, Declarant may develop a portion of the Project as "Recreation Area 1," more particularly described in Exhibit "A" attached hereto and made a part hereof.

D. As hereinafter provided, Declarant may develop a portion of the Project as "Recreation Area 2," more particularly described in Exhibit "B" attached hereto and made a part hereof.

E. Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Project, to create a Florida corporation not for profit (the "Association") which will be responsible for the ownership, maintenance and administration of the portions of the Project which may now or hereafter be designated as Community Properties, including the enforcement of this Declaration, and collection and disbursement of the assessments and charges hereinafter created.

F. Declarant will or has caused the Association to be formed for the purpose of exercising the functions aforesaid. The members of the Association shall be the respective Owners of Units in the Project and the Declarant.

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G. It is presently intended that all of the properties comprising the Project be developed pursuant to a general plan of development and subject to certain protective covenants, conditions, restrictions, reservations, easements, equitable servitudes, liens and charges, all running with said properties as hereinafter set forth. Notwithstanding anything contained herein to the contrary, however, there is no obligation to complete the Project as contemplated by the present general plan of development. The Declarant hereby reserves the right at its option and sole discretion to materially alter and substantially modify the general plan of development; provided, however, that in any event, the Units entitled to the use and enjoyment of the Community Properties shall not exceed 448 Units. The Declarant or any person or entity developing and selling residential units in the ordinary course of business to which the Declarant conveys any portion of the Project (other than the Community Properties) shall have the right at its sole option and discretion to develop such property either within the scope of the Project (and subject to this Declaration) or outside the scope of this Project. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, ALL OR ANY PORTION OF THE PROPERTY DESCRIBED IN EXHIBIT "C" MAY ONLY BE DEVELOPED WITHIN THE SCOPE OF (AND AS PART OF) THE PROJECT AND WILL BE SUBJECT TO THE PROVISIONS OF THIS DECLARATION, PROVIDED: (a) DCA, DECLARANT OR A PROJECT DEVELOPER, OR ANY OF THEIR SUCCESSORS OR ASSIGNS, ACQUIRE TITLE TO SUCH PROPERTY; AND (b) AN AMENDMENT TO THIS DECLARATION BY THE DECLARANT (SAID AMENDMENT NEED ONLY BE EXECUTED AND ACKNOWLEDGED BY THE DECLARANT), EXPRESSLY INCLUDING SUCH PROPERTY AS PROPERTY SUBJECT TO THIS DECLARATION, IS RECORDED IN THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA. Subsequent to any amendment expressly including certain property as property subject to the provisions of this Declaration, all or any portion of such property may be removed from the lien and operation of this Declaration by an amendment executed by the Declarant provided there are no conveyances of units constructed upon the property (being removed from the lien and operation of this Declaration) to a person not acquiring such unit for resale in the ordinary course of business; it being intended that removal of property from the lien and operation of this Declaration be prohibited subsequent to the acquisition of title to units constructed upon such property by persons intending to reside therein. Declarant may execute, acknowledge and record Supplemental Declarations or amendments hereto: (a) adding property to the Community Properties or removing property from the Project and the lien and operation of this Declaration, as provided above, or (b) imposing further conditions, covenants and restrictions to the operation, protection and maintenance of all or any portion of the Project. Nothing contained herein or in any Supplemental Declaration shall limit the Declarant's ability to increase the amenities contained within the Community Properties or limit the acreage content of said Community Properties.

H. Declarant hereby declares that the Units (including their appurtenances) and the Community Properties of the Project shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following easements, restrictions, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability thereof, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Project, or any portion thereof. The covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein shall run with the title to the Units (including their appurtenances) and the Community Properties and shall be binding upon all persons having any right, title or interest therein, or any part thereof, their heirs, successors and assigns; shall inure to the benefit of the Units (including their appurtenances) and the Community Properties and any interest therein, and shall inure to the

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benefit of and be binding upon Declarant, its successors-in-interest and each Owner and his respective successors-in-interest; and may be enforced by any Owner, and his successors-in-interest, by the Association, and by the Declarant.

Notwithstanding the foregoing, no provision of this Declaration shall be construed to prevent or limit the Declarant's rights to complete development of Project and the construction of improvements thereon, nor Declarant's right to maintain model apartments, construction, sales or leasing offices or similar facilities on any portion of the Community Properties, nor the Declarant's right to post signs incident to construction, sales or leasing. Declarant agrees that not more than 448 Units may be constructed in the Project. No provision of this Declaration shall be construed as the Declarant's obligation to develop and/or convey all or any portion of the Community Properties except as hereinafter provided.

ARTICLE I

DEFINITIONS

Unless otherwise expressly provided, the following words and phrases when used herein shall have the meanings hereinafter specified:

Section 1. "Architectural Committee" shall mean the committee created pursuant to Article VIII hereof.

Section 2. "Articles" shall mean the Articles of Incorporation of the Association which have been filed in the office of the Secretary of the State of Florida, a true copy of which is attached hereto, marked Exhibit "D" and incorporated herein by this reference, as such Articles may be amended from time to time.

Section 3. "Common Assessment" shall mean the charge against each Owner and his Unit representing a portion of the total costs to the Association for maintaining, improving, repairing, replacing, managing and operating the Community Properties and the costs otherwise performing the duties and obligations of the Association including but not limited to the cost of real and personal property taxes pertaining thereto.

Section 4. "Special Assessments" shall mean a charge against a particular Owner and his Unit, directly attributable to the Owner, which may include, without limitation, fines or penalties referred to in Section 6, Article VI hereof, and the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration.

Section 5. "Reconstruction Assessment" shall mean a charge against each Owner and his Unit, representing a portion of the cost to the Association for reconstruction of any portion or portions of the Improvements on the Community Properties pursuant to the provisions of this Declaration.

Section 6. "Capital Improvement Assessment" shall mean a charge against each Owner and his Unit, representing a portion of the costs to the Association for installation or construction of any Improvements on any portion of the Community Properties which the Association may from time to time authorize.

Section 7. "Association" shall mean Lucerne Lakes Golf Colony Community Association, Inc., a Florida corporation not-for-profit, its successors and assigns.

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Section 8. "Board" shall mean the Board of Directors of the Association, elected in accordance with the By-Laws of the Association.

Section 9. "By-Laws" shall mean the By-Laws of the Association which have been or shall be adopted by the Board substantially in the form of Exhibit "E" attached hereto and incorporated herein by this reference, as such By-Laws may be amended from time to time.

Section 10. "Community Properties" shall mean those portion of the Project which are declared as Community Properties in this Declaration and in any Amendment or Supplemental Declaration hereafter made by Declarant and which may be granted and conveyed by Declarant. Said Community Properties shall be for the common use and enjoyment of the Owners subject to the terms and conditions this Declaration and the rights hereunder of the Declarant. By Supplemental Declaration or Amendment to this Declaration, Declarant may (but shall not be obligated to) in its sole discretion from time to time develop and declare all or any portion of the property described in (Recreation Area 1) Exhibit "A" and/or Exhibit "B" (Recreation Area 2) together with improvements constructed or to be constructed thereon and/or other property in the Project to be Community Properties.

Section 11. "Common Expenses" shall mean the actual and estimated costs of: maintenance, management, operation, repair and replacement of the Community Properties (including unpaid Special Assessments, Reconstruction Assessments and Capital Improvement Assessments), including without limitation those costs not paid by any Owner responsible for payment; the costs of any and all commonly metered utilities, cable or master television charges, and other commonly metered charges for the Community Properties; costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of all utilities, gardening and other services benefiting the Community Properties, and all recreational facilities thereon; the costs of fire, casualty and liability insurance, workmen's compensation insurance, and other insurance covering the Community Properties; the costs of bonding of the members of the management body; taxes paid by the Association, including real property taxes for the Community Properties; amounts paid by the Association for discharge of any lien or encumbrance levied against the Community Properties; or portions thereof; any charges or expenses set forth in the Declaration or the Exhibits hereto and the costs of any other item or items designated by, or in accordance with other expenses incurred by, the Association for any reason whatsoever in connection with the Community Properties or the obligations and duties of the Association, for the benefit of all of the Owners.

Section 12. "Declarant" shall mean and refer to Lucerne Lakes Golf Colony, Inc., a Florida corporation, and its successors and assigns, provided such successors and assigns acquires any portion of the Project from the Declarant for the purpose of development and resale and further provided as Declarant specifically assigns such rights hereunder to any such person by an express written assignment.

Section 13. "Declaration" shall mean this instrument as it may be amended from time to time.

Section 14. "Unit" shall mean and refer to a constructed dwelling which is designed and intended for use and occupancy as a residence by a single family. Said term includes, without limitation, a Unit in a Condominium, together with the interest in land, improvements and other property appurtenant thereto.

Section 15. "Maintenance Fund" shall mean the accounts created for receipts and disbursements of the Association, described in Article VI hereof.

Section 16. "Management Company" shall mean the person, firm or corporation which may from time to time be appointed by the Association hereunder as its agent and delegated certain duties, powers or functions of the Association.

Section 17. "Community Property Management Agreement" shall mean that certain agreement attached hereto as Exhibit "F" and made a part hereof and such amendments and modifications thereto and after termination of the Agreement attached as Exhibit "F", such term shall refer to such other agreements for management upon such terms and conditions as the Board of Directors shall deem appropriate.

Section 18. "Member" shall mean any person or entity holding a membership in the Association as provided herein.

Section 19. "Project" shall mean the property described on Exhibit "C" and improvements constructed thereon which property may be developed in accordance with the general plan of development which presently contemplates the Community Properties and up to thirteen (13) condominiums containing in the aggregate no more than 448 Units. Notwithstanding the foregoing, Declarant reserves the right to modify the aforesaid general plan of development as Declarant desires in its sole and absolute discretion, including but not limited to, permitting the development of any portion of the property outside the scope of the Project and including same within the operation of this Declaration and/or permitting the development of any portion of the Project in a materially and substantially different manner than the present general plan of development provided such change does not cause more than 448 Units to be constructed in the Project. All Owners hereby consent to any such changes or modifications. A subdivision known as Lucerne Lakes Golf Colony pertaining to property located within the Project has been platted in Plat Book 44 at Page 158 of the Public Records of Palm Beach County, Florida. That portion of the plat containing open space, which is not to have improvements constructed thereon, will not be vacated in whole or in part unless the entire plat is vacated.

Section 20. "Owner" shall mean and refer to the person or persons or other legal entity or entities, including Declarant, holding fee simple title of record to any Unit. For purposes of Article X only, unless the context otherwise requires, Owner shall also include the family, invitees, licensees and Lessees of any Owner.

Section 21. "Supplemental Declaration" shall mean any declaration of covenants, restrictions and easements which may be recorded by Declarant for the purpose of supplementing or amending this Declaration or for the purpose of declaring certain portions of the Project to be Community Properties.

The foregoing definitions shall be applicable to this Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association, and also to any Supplemental Declaration, unless otherwise expressly provided.

ARTICLE II

OWNER'S PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of ingress and egress and of enjoyment in, to and over the Community Properties which right shall pass with title to a Unit, subject to the following provisions:

- (a) The right of the Association to reasonably limit the number of guests or Owners using the Community Properties.
- (b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Community Properties and the improvements thereon.
- (c) The right of the Association to charge uniform and reasonable admission and other fees for the use of improvements in the nature of recreation facilities constructed upon the Community Properties.
- (d) The right of the Association to suspend the voting rights and right to use the Community Properties by an Owner for any period during which any assessment against his Unit remains unpaid and delinquent; and for a period not to exceed thirty (30) days for any single infraction of the published Rules and Regulations of the Association, provided that any suspension of such voting rights or right to use the Community Properties, shall be made only by the Board, after notice and an opportunity for a hearing as provided in the By-Laws of the Association.
- (e) Subject to the provisions of Article XIII of this Declaration, the right of the Association to dedicate, release, alienate or transfer all or any part of the Community Properties to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members and to grant easements where necessary. No such dedication, release, alienation or transfer shall be effective, unless approved by Members entitled to cast two-thirds (2/3) of the votes of the Membership of the Association, agreeing to such dedication, release, alienation or transfer.
- (f) The right of the Declarant (and its sales agents, customers and representatives) to the non-exclusive use of the Community Properties and the facilities thereof, without charge, for sales display, access, ingress, egress and exhibit purposes. The Declarant specifically reserves the right to place and maintain, without charge, sales offices in the areas designated as Community Properties.
- (g) The right of the Association (by action of the Board) to reconstruct, replace or refinish any improvement or portion thereof upon the Community Properties, in accordance with the original design, finish or standard of construction of such improvement, and not in accordance with such original design, finish or standard of construction only with the vote or written consent of the Members holding fifty-one percent (51%) of the voting power of the Association.
- (h) The right of the Association to replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the Community Properties.
- (i) The rights and powers of the Association and Declarant under this Declaration.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Community Properties and facilities to the members of his family, or to the tenants who reside in his Unit, subject to all Rules and

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Regulations presently in effect and any which may become effective in the future, and further subject to reasonable regulation by the Board.

Section 3. Easements for Parking. Temporary guest or recreational parking shall be permitted within the Community Properties only within spaces and areas which may be clearly marked for such purpose. The Association, through its officers, committees and agents, is hereby empowered to establish parking regulations and to enforce these parking regulations by all means lawful for such enforcement on county streets, including the removal of any violating vehicle by those so empowered; provided, however, that the Association shall not interfere with the parking necessities of the Declarant.

Section 4. Easements for Vehicular Traffic. In addition to the general easements for use of the Community Properties reserved herein, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners, a non-exclusive easement for vehicular traffic over all private streets within the Community Properties, subject to the parking provisions set forth in Section 3 of Article II hereof.

Section 5. Easements for County Public Service Use. In addition to the foregoing easements over the Community Properties, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners within the Project, easements for police services, including, but not limited to, the right of the police to enter upon any part of the Community Properties for the purpose of enforcing the law.

Section 6. Waiver of Use. No Owner may exempt himself from personal liability for assessments duly levied by the Association. No Owner may release the Unit owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Community Properties and the facilities thereon or by abandonment of his Unit.

Section 7. Title to the Community Properties. Property owned by the Association shall be Community Properties. Should title to fifty (50) Units in the Project be conveyed on or before December 31, 1983 by the respective developers of property in the Project ("Project Developers") to persons not for resale in the ordinary course of business or sooner at Declarant's option, the Declarant shall convey fee simple title to Recreation Area 1 (which will initially constitute the Community Properties) to the Association and the Association shall accept such conveyance. Should three hundred seventy-six (376) condominium units be conveyed by the Project Developers on or before December 31, 1989, then in that event occurring, or earlier at Declarant's option, the Declarant shall complete the improvements to Recreation Area 2 within one hundred fifty (150) days from the conveyance of the three hundred seventy-sixth (376th) unit as provided above. Should the Declarant become obligated to, as provided above, or decide in its sole discretion to complete the improvements to Recreation Area 1 and/or Recreation Area 2, then at such time as such improvements are substantially complete, the Declarant shall file an Amendment to this Declaration provided that said Amendment shall only be executed by the Declarant and need not be executed by the Association or any other person or entity notwithstanding anything in this Declaration to the contrary. Should Project Developers not convey title to fifty (50) and/or three hundred seventy-six (376) condominium units to persons other than the Project Developers or an entity related to or affiliated with the Project Developers as provided above, Declarant shall not be obligated to improve Recreation Area 1 and/or Recreation Area 2, as the case may be, except to the extent necessary to provide streets for ingress and egress to the

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various Condominium properties from a public street, if any, and all or portions of Recreation Area 1 and/or Recreation Area 2, as the case may be, shall, at the discretion of the Declarant, not become part of the Community Properties. Should the Declarant not be obligated to complete the improvements to Recreation Area 1 and/or Recreation Area 2 and should the Declarant determine not to make Recreation Area 1 and/or Recreation Area 2, as the case may be, part of the Community Properties Declarant shall file and record in the Public Records of Palm Beach County an amendment instrument which deletes and cancels Exhibit "A" and/or Exhibit "B," as the case may be, as an Exhibit to this Declaration, and which amendment instrument need only be executed by the Declarant and shall not be required to be executed by the Association, its members or any other person. Should Recreation Area 1 and/or Recreation Area 2 be improved by the Declarant or be required to be improved as provided herein or if such real property is added to the Community Properties all references to Community Properties shall be deemed to include the property described in Exhibit "A" and/or Exhibit "B" to this Declaration, as the case may be, as well as other property designated as Community Properties. Subsequent to conveyance, if any, of Recreation Area 1 and/or Recreation Area 2 as part of the Community Properties, the Association shall hold title to all of the Community Properties for benefit of those persons entitled to use same under the provisions hereof. Declarant may mortgage the Community Properties to finance the original development and construction thereof, provided that (i) the lender recognizes the rights of the Owners hereunder, (ii) the Community Properties shall be free of mortgages at time of conveyance to the Association, and (iii) the Association shall not be personally liable for payment of same.

Section 8. The Project. It is the present intention that not more than four hundred forty-eight (448) Units be created within the Project and such Units shall be located in various Condominiums created within the real property described in Exhibit "C" to the Declaration; provided, however, nothing in this Declaration or Exhibits hereto shall obligate the Declarant or any Project Developer or any other person to construct any Condominium or Units. Unit Owners in Condominiums created as part of the Project shall be entitled to the use and enjoyment of the Community Properties and after the recordation of each respective Declaration of Condominium they jointly and severally shall have the duty and obligation to maintain same, and said Unit Owners shall pay for all of the costs and expenses of any type or nature as to same, including without limitation expenses, taxes, assessments, insurance premiums, costs of maintenance and repair and replacements and undertaking, and all other costs applicable thereto, and the sum due from each Unit Owner shall be a lien upon the applicable Unit as hereinafter provided. Each Condominium Unit in Condominiums declared of record entitled to the use and enjoyment of said Community Properties shall pay an equal share of said costs and expenses. Each Unit in a Condominium located within the real property described in Exhibit "C" shall commence paying its share of said costs and expenses of the Community Properties as of the date the first unit in said Condominium is conveyed by the Developer of such Condominium in the ordinary course of business.

Notwithstanding the foregoing provisions, it is understood and agreed that Condominiums are not required to be upon all of the property described in Exhibit "C" to this Declaration and, in such case, should the non-Condominium units be constructed within the Project, Declarant shall have the right in its sole discretion to determine whether the owner of said Units and/or the lessees thereof shall be entitled to the use and enjoyment of the Community Properties and, in such event, although the total interest in and to the fee simple title to said Community Properties may be owned by the Association, as hereinbefore

provided, said Community Association covenants and agrees and it shall be legally required, at the option of the Declarant, its successors and assigns, to enter into an agreement(s) with the owner and/or party responsible for the operation and management of said non-Condominium Units whereby the owners and/or occupants of said Units are entitled to the equal use and enjoyment of the Community Properties. The term of such agreement(s) shall be for not less than seventy (70) years from the date of said agreement(s) unless the parties thereto jointly agree otherwise. The agreement(s) shall be prepared by the Community Association and it shall contain such matters as the Community Association shall determine in its sole discretion; however, the non-Condominium unit owners and/or occupants shall be entitled to the equal use and enjoyment of said Community Properties to the same extent as are the Condominium Association's members and all Rules and Regulations as to said Community Properties shall be the same as to all parties entitled to the use and enjoyment of same. The aforesaid agreement(s) shall be duly recorded in the Public Records at the cost and expense of the non-Condominium unit owners and/or occupants and said agreement(s) shall incorporate therein such provisions for payment and enforcement of the payment of the obligations of said non-Condominium unit owners and/or occupants as to the Community Properties as the Community Association shall determine in its sole discretion. Every Condominium Unit or non-Condominium unit entitled to the use and enjoyment of the Community Properties shall pay the cost and expense of same on the same basis as hereinbefore provided as to only Condominium units sharing said costs and expenses. Each Unit Owner, his heirs, successors and assigns, agrees to make payment to the Community Association of his share of the monies due pursuant to and in the amount or proportion as specified herein. It shall be mandatory for the Owner to make said payments regardless of whether or not said Owner uses the Community Properties.

Any Owner together with spouse and other members of said Owner's immediate family who are in residence in the Condominium parcel, may use the Community Properties. Where a corporation is a parcel owner, the use of the Community Properties shall be limited at any one time to such officer, director, employee or designee of said corporation who is in actual residence and such individual shall be deemed to be the owner for the purposes of this paragraph. All Owners' children and children of guests or invitees who are under such age as determined by the Association must be accompanied by an adult to such portions of the Community Properties as the Community Association determine. Guests and invitees of an Owner, whether in temporary residence in the Condominium or not, may only be permitted to use the Community Properties, if at all, with the permission of the Association and subject to the terms and conditions as the Association may determine in its sole discretion, including the payment of additional compensation therefor, it being understood and agreed that said Community Properties are primarily designed for the use and enjoyment of said unit owners and others within the real property described in Exhibit "C" to this Declaration and the use by others may be required to be limited or not permitted at all during certain times of a day, certain weeks or months of a year, and the Association shall determine the foregoing in its sole discretion, including the manner and method in which the Properties is to be used and under what circumstances. Notwithstanding the foregoing, where children in residence in a Condominium are the sons or daughters of a Owner, such parent shall not be required to pay additional compensation for use by said children of the Community Properties. Where a unit owner owns more than one unit, the family in residence in each unit shall be entitled to the use of the Community Properties whether said family in residence be a lessee of said Unit or otherwise. Where a party owns one Condominium unit and leases same, the lessee shall be entitled to the use of the Community Properties and said

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lessee's right thereto shall be the same as though said lessee were the Owner during the terms of said lease, and the Owner and his family shall not be entitled to the use of the Recreation Area.

ARTICLE III

MEMBERSHIP IN ASSOCIATION

Section 1. Membership. Every Owner of a Unit and the Declarant shall be a Member of the Association, and no Owner shall have more than one membership in the Association. Memberships in the Association shall not be assignable, except to the successor-in-interest of the Owner, and every membership of an Owner in the Association shall be appurtenant to and may not be separated from the fee ownership of his Unit. Ownership of such Unit shall be the sole qualification for membership of an Owner in the Association.

ARTICLE IV

VOTING RIGHTS

Section 1. Classes of Voting Membership. The Association shall have two (2) classes of voting membership as follows:

Class A. Class A Members shall originally be all Owners with the exception of Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Unit which is subject to assessment, as further provided in the Declaration. Declarant shall become a Class A Member with regard to Units owned by Declarant upon conversion of Declarant's Class B Membership as provided below.

Class B. The Class B Member shall be Declarant. The Class B Member shall be entitled to six (6) votes for each Unit owned by Declarant which is subject to assessment, plus six (6) votes for each unbuilt but planned Unit (i.e., the difference between the 448 Units presently planned for the Project less the number of constructed Units in respect of which there has been issued a Certificate of Occupancy or other official authorization permitting occupancy) provided that the Class B Membership shall cease and be converted to Class A Membership upon the first to occur of any of the following events:

(1) Ten (10) days after Declarant elects to terminate Class B Membership; or

(2) On December 31, 1989.

Section 2. Vote Distribution. Owners shall be entitled to one (1) vote for each Unit in which they hold the interest required for membership. When more than one person holds such interest or interests in any Unit ("co-owner"), all such co-owners shall be Members and may attend any meetings of the Association, but only one such co-owner shall be entitled to exercise the vote to which the Unit is entitled. Such co-owners may from time to time designate in writing one of their number to vote. Fractional votes shall not be allowed, and the vote for each Unit shall be exercised, if at all, as a Unit. Where no voting co-owner is designated or if such designation had been revoked, the vote for such Unit shall be exercised as the majority of the co-owners of the Unit mutually agree. Unless the Board receives a written objection from a co-owner, it shall be presumed that the corresponding voting co-owner is acting with the consent of his or her co-owners. No vote shall be cast for any Unit where the majority of the co-owners cannot agree to said

vote or other action. The non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly-owned Unit and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or in the By-Laws of the Association, shall be deemed to be binding on all Owners, their successors and assigns. Said voting rights shall be subject to the restrictions and limitations provided in this Declaration and in the Articles of Incorporation and By-Laws of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association and filed with the Secretary of the Association.

ARTICLE V

DUTIES AND POWERS OF ASSOCIATION

The Association, acting through the Board, in addition to the powers and duties it may have pursuant to its Articles, By-Laws, otherwise provided herein, and shall also have the power and duty to:

- (a) Maintain, repair and otherwise manage the Community Properties and all facilities, Improvements and landscaping thereon.
- (b) Maintain all private streets, parking and other paved surfaces within the Community Properties, including cleaning and periodic resurfacing thereof.
- (c) Obtain, for the benefit of the Community Properties, all commonly metered water, sanitary sewage and electric services, and may provide for all refuse collection and cable or master television service (if any), as necessary.
- (d) Grant easements, rights of way, or strips of land, where necessary, for utilities and sewer facilities over the Community Properties to serve the Community Properties and other portions of the Project.
- (e) Maintain such policy or policies of liability and fire insurance with respect to the Community Properties and personal property, if any, owned by the Association as provided herein in furthering the purposes of and protecting the interests of the Association and Members and as directed by this Declaration and the By-Laws.
- (f) Employ or contract with a Management Company to perform all or any part of the duties and responsibilities of the Association, and shall have the power to delegate its powers to committees, officers and employees.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Unit now or hereafter owned by it within the Project, hereby covenants, and each Owner of any Unit by acceptance of a deed therefor whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (a) annual Common Assessments for Common Expenses, (b) Capital Improvement Assessments, (c) Special Assessments, and (d) Reconstruction Assessments; and such other

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assessments and charges set forth herein, all of which are to be established and collected as hereinafter provided. In the case of a condominium, the obligation of all Units therein for their respective assessments shall commence with the month following the month during which the title to the first Unit in said Condominium is sold and conveyed to the purchaser thereof, unless otherwise provided in the condominium offering circular. Such assessments, together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on the Unit and shall be a continuing lien upon the property against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. Subject to provisions of this Declaration protecting first Mortgagees, the personal obligation for delinquent assessments shall pass to the successors-in-title of such Owner. The Board shall establish no fewer than two (2) separate accounts ("the Maintenance Funds") into which shall be deposited all moneys paid to the Association, and from which disbursements shall be made, as provided herein, in the performance of functions by the Association under the provisions of this Declaration. The Maintenance Funds shall include: (a) an Operating Fund for current expenses of the Association, and (b) a Reserve Fund for replacements, painting and repairs (which would not reasonably be expected to recur more frequently than semi-annually) of the Community Properties facilities to the extent necessary under the provisions of this Declaration. The Board of Directors shall not commingle any amounts deposited into any of the Maintenance Funds with one another.

Section 2. Purpose of Common Assessments. The Assessments levied by the Association shall be used exclusively to promote the common health, safety, benefit, recreation, welfare and aesthetics of the Owners and for the improvement and maintenance of the Community Properties as provided herein. However, disbursements from the Reserve Fund shall be made by the Board only for the specific purposes specified in this Article VI. Disbursements from the Operating Fund shall be made by the Board for such purposes as are necessary for the discharge of its responsibilities herein, other than those purposes for which disbursements from the Reserve Fund are to be used.

Section 3. Damage to Community Properties by Owners. The foregoing maintenance, repairs or replacements within the Community Properties arising out of or caused by the willful or negligent act of an Owner, his tenant or either of their families, guests or invitees shall be done at said Owner's expense and/or a Special Assessment therefor shall be made against his Unit.

Section 4. Capital Improvement and Reconstruction Assessments. In addition to the Common Assessments authorized above, the Board may levy, in any assessment year, a Capital Improvement Assessment or Reconstruction Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a Capital Improvement or other such addition upon the Community Properties, including fixtures and personal property related thereto; provided that any such assessment in excess of Ten Thousand Dollars (\$10,000.00) shall require a two-thirds (2/3) vote or written assent of Members holding two-thirds (2/3) of the votes of the Members of the Association, except in the case of an emergency whereby in the judgment of the Board, such expenditure is reasonably calculated to prevent further damage

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which is likely to occur during the time necessary to obtain such Membership approval.

Section 5. Notice and Quorum for any Action Authorized Under Section 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence of Members in person or by proxy entitled to cast fifty percent (50%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be thirty-three and one-third percent (33-1/3%) of the voting power of the Association. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Rate of Assessment. Common Assessments, Capital Improvement Assessments and Reconstruction Assessments provided for in this Article VI shall be allocated and assessed amongst the Units in accordance with the following formula:

$$\begin{array}{rcl} \text{Total amount} & & 1 \\ \text{of} & \times & \\ \text{assessments} & & \frac{\text{Total number of Units}}{\text{subject to Assessment}} \end{array} = \begin{array}{l} \text{Said Unit's} \\ \text{share of the} \\ \text{Common Expenses} \\ \text{of the Association} \end{array}$$

The Association may, subject to the provisions of Section 3 of this Article, levy Special Assessments against selected Owners who have caused the Association to incur special expenses due to willful or negligent acts of said Owners, their families, tenants, guests, invitees, or agents. The Association may also levy Special Assessments in the nature of fines or penalties with respect to violations of or non-compliance with the obligations under this Declaration, the Articles or the By-Laws as provided in Article VII of the By-Laws. All Common Assessments shall be collected monthly. All Common Expenses shall be assessed exclusively among the Units which are subject to assessment pursuant to Article VI, Section 1, hereof.

Section 7. Date of Commencement of Owners' Obligation for Common Assessments. The obligation of the Owners for the Common Assessments applicable to the Community Properties shall commence on the first day of the month after the month during which the Declarant certifies to the Association that construction of the Improvements upon the Community Properties for the Project has been substantially completed and that same are ready for use.

Section 8. Date of Commencement of Common Assessments: Due Date. The first annual Common Assessment shall be adjusted according to the number of months remaining in the fiscal year as set forth in the By-Laws. The Board shall fix the amount of the annual Common Assessment against each Unit subject to assessment at least thirty (30) days in advance of each Common Assessment period. Written notice of any change in the amount of the annual Common Assessment shall be sent to every Owner at least thirty (30) days prior to the effective date of such change. Notwithstanding the foregoing, however, such notice shall not be required in order for such change to become effective. The due dates shall be established by the Board. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Association as to the status

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of the assessments against a Unit is binding upon the Association as of the date of its issuance.

The Board shall prepare or have prepared a brief statement reflecting income and expenditures of the Association for each fiscal year, and shall distribute or have distributed a copy of each such statement to each Member, and to each first Mortgagee who has filed a written request for copies of the same in the manner provided in the By-Laws. At least sixty (60) days prior to the beginning of each fiscal year, the Board shall prepare and distribute to the membership of the Association a written, itemized estimate (budget) of the expenses estimated to be incurred by the Association during such year in performing its functions under this Declaration (which may include reasonable provision for contingencies and deposits into the Reserve Fund, less any expected income and accounting for any surplus from the prior year's respective Maintenance Fund).

The Association may designate each condominium association to collect assessments levied hereunder from Owners of Units in each respective Condominium.

At the end of any fiscal year of the Association, the Members may determine that all excess funds remaining in the Operating Fund, over and above the amounts used for the operation of the Properties, may be returned to the Members proportionately, or may be retained by the Association and used to reduce the following year's Common Assessments. Notwithstanding anything contained in the Articles of By-Laws to the contrary, if prior to dissolution of the Association the Association has not obtained tax exempt status from both the Federal and State government, then upon such dissolution of the Association, any amount remaining in the Reserve Funds shall be proportionately distributed to or for the benefit of the Members.

Section 9. Exempt Property. Common Expenses shall be assessed only against Units which are subject to assessment under the provisions hereof, and all other portions of the Project shall be exempt therefrom.

ARTICLE VII

EFFECT OF NON-PAYMENT OF ASSESSMENTS REMEDIES OF THE ASSOCIATION

Section 1. Effect of Non-Payment of Assessments: Remedies of the Association. Any installment of a Common Assessment, Capital Improvement Assessment, Special Assessment or Reconstruction Assessment not paid within ten (10) days after the due date shall bear interest from the due date of such installment at the highest interest rate allowable by law. If any installment due on an assessment is not paid within twenty (20) days after it is due, the Owner responsible therefor may be required by the Board to pay a late charge of Ten Dollars (\$10.00) or ten percent (10%) of the amount of the delinquent installment, whichever is greater. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Unit. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Community Properties or abandonment of his Unit. If the delinquent installments of Assessments and any charges thereon are not paid in full on or before thirty (30) days from the due date, the Board may, at its option at any time thereafter, declare all of the unpaid balance of the annual Common Assessment to be immediately due and payable without further demand or notice and may enforce the collection of the full Common Assessment and all charges thereon in any manner authorized by law and this Declara-

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tion. If any Assessments are more than thirty (30) days past due at the beginning of any fiscal year, the balance of the installments of the Common Assessments for the fiscal year just starting may be accelerated at the option of the Board without notice.

Section 2. Notice of Claim of Lien. No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days has expired following the date a copy of a Claim of Lien is deposited in the United States mail, certified or registered postage prepaid, to the Owner of the Unit at the address on the records of the Association and if none at the address of the Unit, and a copy thereof has been recorded by the Association in the Public Records of Palm Beach County, Florida; said Claim of Lien must recite a good and sufficient legal description of any such Unit, the record Owner or reputed Owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid assessment at the highest interest rate allowable by law, plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant. Such Claim of Lien shall be signed and acknowledged by an officer of the Association, the attorney or an authorized agent for the Association. The lien shall continue until fully paid or otherwise satisfied.

Section 3. Foreclosure Sale. The assessment lien set forth herein may be foreclosed in the same manner as mortgages are foreclosed under Florida law. The Association, through duly authorized agents, shall have the power to bid on the Unit at foreclosure sale, to acquire and hold, lease, mortgage and convey the same.

Section 4. Curing of Default. Upon the timely curing of any default for which a Claim of Lien was filed by the Association, the officers thereof shall record an appropriate Release or Satisfaction of Lien. The defaulting Owner shall reimburse the Association for all costs of collecting assessments owed including but not limited to attorneys' fees, recording costs and court costs, if any. A certificate executed and acknowledged by any two (2) members of the Board or by the Management Company stating the indebtedness secured by the liens upon any Unit created hereunder shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the Certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner upon request at a reasonable fee, not to exceed Twenty-five Dollars (\$25.00).

Section 5. Cumulative Remedies. All rights, remedies, or relief however available to the Association including without limitation the assessment liens and the rights to foreclosure and sale thereunder shall be cumulative and nonexclusive (in addition to and not in substitution for all and/or any other rights and remedies which the Association and its assigns may have hereunder and by law.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage (meaning any recorded Mortgage with first priority or seniority over other mortgages) made in good faith and for value and recorded prior to the date on which a Claim of Lien is recorded. Sale or transfer of any Unit shall not affect the assessment lien. However, in the event of the sale or transfer of any Unit pursuant to a mortgage foreclosure or deed in lieu thereof, the lien of such assessments shall be extinguished as to installments which became due prior to such sale or transfer and the acquirer of title shall not be liable

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for such assessments except that the unpaid share of such Common Assessments shall be collectable from all Owners including such acquirer of title. No sale or transfer shall relieve such Unit from liability for any installments of assessments thereafter becoming due or from the lien thereof.

Section 7. No Waiver. Failure by the Association to enforce or declare a violation of the terms and conditions of this Declaration, Exhibits thereto, or Rules and Regulations promulgated by the Board upon occurrence thereof or any delay in taking any action in connection therewith shall not be considered a waiver of such violation and any express waiver of such violation (which must be in writing to be effective) shall not be considered a continuing waiver. Upon any subsequent violation, the Association shall not be deemed to have waived its rights to declare such violation and exercise concurrently or severally any rights, remedies or relief the Association may have.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Members of Committee. The Architectural Committee, sometimes referred to in this Declaration as the "Committee," shall consist of three (3) members. The initial members of the Committee shall consist of persons designated by Declarant. The Declarant shall have the right to remove and designate new Members of the Committee at its discretion. Each of said persons shall hold office at the pleasure of the Declarant until all Units planned for the Project have been sold or at such earlier time as the Declarant may elect, at its sole option. Thereafter, each new member of the Committee shall be appointed by the Board and shall hold office at the pleasure of the Board until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the Committee, other than those designated by the Declarant, may be removed at any time with or without cause. The Board shall have the right to appoint and remove all members of the Committee other than those designated by Declarant.

Section 2. Review of Proposed Construction. Subject to Article X, Section 8, of this Declaration, no building, fence, wall, patio cover or other structure shall be commenced, painted, erected or maintained on the Community Properties or any other portion of the Project, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and color and location in relation to surrounding structures and topography by the Committee (subject to the exemptions in Section 9 of this Article VIII). The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Project as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures. The Committee may also issue rules or guidelines setting forth procedures for the submissions of plans and specifications submitted for its review as it deems proper. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval.

Section 3. Meetings of the Committee. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time, by resolution unan-

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imously adopted in writing, designate a Committee Representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to Section 8 hereof. In the absence of such designation, the vote of any two (2) members of the Committee taken without a meeting, shall constitute an act of the Committee.

Section 4. No Waiver of Future Approvals. The approval of the Committee to any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matter whatever subsequently or additionally submitted for approval or consent.

Section 5. Compensation of Members. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

Section 6. Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon the completion of any work for which approved plans are required under this Article VIII, the submitting party shall give written notice of completion to the Committee.

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

(c) If upon the expiration of thirty (30) days from the date of such notification, the submitting party shall have failed to remedy such noncompliance, the Committee shall notify the Board in writing of such failure. The Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If noncompliance exists, the submitting party shall remedy or remove the same within a period of not more than forty-five (45) days from the date of announcement of the Board ruling. If the submitting party does not comply with the Board ruling within such period, the Board, at its option, may either remove the noncomplying improvement or remedy the noncompliance, and the submitting party shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the submitting party to the Association, the Board shall levy a Special Assessment against such submitting party for reimbursement. (In the event said submitting party is a condominium association, the aforementioned Special Assessment shall be levied against all units in the condominium in proportion to their respective share of the Common Expenses of said Condominium.)

(d) If for any reason the Committee fails to notify the submitting party of any noncompliance within sixty (60) days after receipt of said written notice of completion from the submitting party, the Improvement shall be deemed to be in accordance with said approved plans.

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Section 7. Non-Liability of Committee Members. Neither the Committee nor any member thereof, nor its duly authorized Committee representative, shall be liable to the Association, any condominium association, or to any Owner or any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance or non-performance of the Committee's duties hereunder, unless due to the willful misconduct of bad faith of a member and only that member shall have any liability. The Committee shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition, solely on the basis of aesthetic consideration, and the overall benefit or detriment which would result to the immediate vicinity and the Project. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes.

Section 8. Variance. The Committee may authorize variances from compliance with any of the architectural provisions of this Declaration or any Supplemental Declaration, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. Such variance must be evidenced in writing, must be signed by at least two (2) members of the Committee, and shall become effective upon recording. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or of any Supplemental Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting his use of the premises, including, but not limited to, zoning ordinances and lot set-back lines or requirements imposed by any governmental or municipal authority. The granting of a variance in one instance shall not waive the rights of the Committee to refuse to grant a variance in any other instance, whether or not such other instance is similar in nature.

Section 9. Declarant and Related Entity Exemption. The Declarant and any wholly owned subsidiary of the Declarant or entity owned by the parent company of the Declarant shall be exempt from the provisions of this Article VIII and shall not be required to obtain approval of the Committee.

ARTICLE IX

MAINTENANCE AND REPAIR OBLIGATIONS

Section 1. Maintenance and Obligations of Owners. Subject to the duty of the Association to provide for maintenance as provided in Article IX, Section 2, of this Declaration, it shall be the duty of each Condominium Association in the Project at its sole cost and expense, subject to the provisions of this Declaration regarding Architectural Committee approval, to maintain, repair, replace and restore areas subject to its control, in a neat, sanitary and attractive condition. In the event that any Condominium Association shall permit any improvement which is the responsibility of such condominium association to maintain, or cause to be maintained to fall into disrepair or not to be maintained so as to create a dangerous, unsafe, unsightly or unat-

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tractive condition, or to otherwise violate this Declaration, the Architectural Committee and the Association shall jointly and severally have the right, but not the duty, upon fifteen (15) days' prior written notice to the Condominium Association, to correct such condition and to enter upon such Condominium Property to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the Condominium Association. Said cost shall be a Special Assessment and shall create a lien upon all the Units in said Condominium enforceable in the same manner as other assessments as set forth in this Declaration. The Condominium shall pay promptly all amounts due for such work, and the costs and expenses of collection may be added, at the option of the Board, to the amounts payable by each Owner in the Condominium as Common Assessments.

Section 2. Maintenance Obligations of Association. Subject to the provisions of Section 1 of this Article, the Association shall maintain the Community Properties and all improvements thereon, in good repair, including all commonly metered utilities, the interior and exterior of the recreation buildings, and any and all utility facilities and buildings on the Community Properties. In addition to maintenance, the Association shall provide all necessary landscaping and gardening to properly maintain and periodically replace the trees, plants, grass and other vegetation which is on the Community Properties. The Association shall further maintain, reconstruct, replace and refinish any paved surface in the Community Properties. All of the foregoing obligations of the Association shall be discharged when and in such manner as the Board shall determine in their judgment to be appropriate.

Section 3. Exterior Appearance and Design. Any residential building which has suffered damage may apply to the Architectural Committee for approval to reconstruct, rebuild or repair the improvements therein. Application shall be made in writing and shall be supported by full and complete plans and specifications, working drawings and elevations showing the proposed reconstructions and the end result thereof. The Architectural Committee shall grant such approval only if the exterior appearance and design will be substantially like that which existed prior to the date of the casualty. Failure of the Architectural Committee to act within thirty (30) days after receipt of such a request in writing coupled with the drawings and plot plans showing the full and complete nature of the proposed changes shall constitute approval thereof. If the obligation for repair falls upon the Association, Architectural Committee approval will not be required prior to the commencement of such work.

Section 4. Time Limitation. The Owner or Owners of any damaged residential building, the Association and the Architectural Committee shall be obligated to proceed with all due diligence hereunder, and the responsible party shall commence reconstruction within six (6) months after the damage occurs and complete reconstruction within one (1) year after damage occurs, unless prevented by causes beyond their reasonable control.

ARTICLE X

USE RESTRICTIONS

All real property comprising any portion of the Project shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant in Section 8 hereof.

Section 1. Nuisances. No noxious or offensive activity shall be carried on in any residential buildings or on the Com-

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Community Properties, nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any Owner. No loud noises or noxious odors shall be permitted in any residential building or on the Community Properties, and the Board shall have the right to determine in accordance with the By-Laws if any noise, odor or activity producing such noise, odor or interference constitutes a nuisance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smokey vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or any items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any portion of the residential buildings or Community Properties, or exposed to the view of other Owners without the prior written approval of the Board.

Section 2. Signs. No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of residential buildings or on the Community Properties without the prior written consent of the Architectural Committee, except signs, regardless of size, used by Declarant, its successors or assigns, for advertising during the construction and sale period and likewise excepting herefrom any signs which dispense general information and/or directions.

Section 3. Parking and Vehicular Restrictions. Parking in residential buildings shall be restricted to the parking areas therein designated for such purpose. No Owner shall park, store or keep on any portion of the residential buildings or Community Properties any commercial type vehicle (for example, van, dump truck, cement mixer truck, oil or gas truck, delivery truck), nor may any Owner keep any other vehicle on the Community Properties which are deemed to be a nuisance by the Board. No Owner shall conduct any repairs (except in an emergency) or restorations of any motor vehicle, boat, trailer, or other vehicle upon any portion of the residential buildings or Community Properties.

Section 4. Animal Restriction. No animals, livestock, reptiles or poultry of any kind shall be raised, bred or kept on the Community Properties.

Section 5. Trash. No rubbish, trash or garbage or other waste material shall be kept or permitted on the Community Properties except in sanitary containers located in appropriate areas, and no odor shall be permitted to arise therefrom so as to render the Community Properties or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No clothing or household fabrics shall be hung, dried, or aired in such a way as to be visible, and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk material or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Community Properties except within an enclosed structure or appropriately screened from view.

Section 6. Temporary Buildings. No outbuilding, basement, tent, shack, shed or other temporary building or improvement of any kind shall be placed upon any portion of the residential buildings or Community Properties either temporarily or permanently. No trailer, camper, motor home or recreation vehicle shall be used as a residence, either temporarily or permanently.

Section 7. Community Properties Facilities. Nothing shall be altered or constructed in or removed from the Community Properties except upon the written consent of the Association.

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Section 8. Declarant Exemption. Declarant or its successors or assigns will undertake the work of constructing Units and other improvements in the project. The completion of that work and the sale, rental and other disposal of Units is essential to the establishment and welfare of the Project as a residential community. As used in this Section and its subparagraphs, the words "its successors or assigns" specifically do not include purchasers of completed Units except where the Declarant shall so expressly state in writing. In order that said work may be completed and the Project be established as a fully occupied residential community as rapidly as possible, no Owner or the Association or the Architectural Committee shall do anything to interfere with, and nothing in this Declaration shall be understood or construed to:

(a) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing whatever they determine to be necessary or advisable in connection with the completion of said work, including without limitation the alteration of its construction plans and designs as Declarant deems advisable in the course of development (all models or sketches showing plans for future development of the Project may be modified by the Declarant at any time and from time to time, without notice) and the granting of easements; or

(b) Prevent Declarant, its successors or assigns, or its or their representatives, from erecting, constructing and maintaining on any property owned or controlled by Declarant, or its successors or assigns, or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing said work and establishing the Project as a residential community and disposing of the same by sale, lease or otherwise; or

(c) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from conducting on any property owned or controlled by Declarant, or its successors or assigns, its or their business of developing, subdividing, grading and constructing improvements in the Project as a residential community and of disposing of Units therein by sale, lease or otherwise; or

(d) Prevent Declarant, its successors or assigns, from determining in its sole discretion the nature of any type of improvements to be initially constructed as part of the Project without limitation including the Community Properties; or

(e) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from maintaining such sign or signs on any property owned or controlled by any of them as may be necessary in connection with the sale, lease or other marketing of Units or which may dispense general information and/or directions.

Section 9. Outside Installations. No radio station or shortwave operators of any kind shall operate from any Unit. No exterior radio antenna, television antenna, or other antenna of any type shall be erected or maintained on the residential building or Community Properties, except that a master antenna or antennae, or cable television antenna or antennae, may be provided for the use of Owners, and Declarant does hereby reserve upon the Community Properties and may grant easements for such purposes.

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Section 10. Insurance Rates. Nothing shall be done or kept in the Community Properties which will increase the rate of insurance on any property insured by the Association without the approval of the Board, nor shall anything be done or kept in the residential building or the Community Properties which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law.

ARTICLE XI

DAMAGE OR DESTRUCTION TO COMMUNITY PROPERTIES

Damage to or destruction of all or any portion of the Community Properties shall be handled in the following manner, notwithstanding any provision in this Declaration to the contrary:

(A) In the event of damage or destruction to the Community Properties, and the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such Community Properties to be repaired and reconstructed substantially as it previously existed.

(B) If the insurance proceeds are within Twenty Thousand Dollars (\$20,000.00) or less of being sufficient to effect total restoration to the Community Properties, then the Association shall cause such Community Properties to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Reconstruction Assessment proportionately against each of the Owners.

(C) If the insurance proceeds are insufficient by Twenty Thousand Dollars (\$20,000.00) or more to effect total restoration to the Community Properties, then by written consent or a majority vote of the Members, they shall determine whether (i) to rebuild and restore in substantially the same manner as the Improvements existed prior to damage and to raise the necessary funds over the insurance proceeds by levying equal Reconstruction Assessments against all Units, (ii) to rebuild and restore in a way which utilizes all available insurance proceeds and an additional amount not in excess of Ten Thousand Dollars (\$10,000.00), and which is less expensive than replacing these Improvements in substantially the same manner as they existed prior to being damaged, or (iii) subject to the provisions of Article XIII, to not rebuild and to distribute the available insurance proceeds equally to the Owners and Mortgagees of the Units as their interests may appear.

(D) Each Owner shall be liable to the Association for any damage to the Community Properties not fully covered by insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or his Tenant or either of their families, and guests, both minor and adult. Notwithstanding the foregoing, the Association reserves the right to charge a Special Assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Owner. In the case of joint ownership of a Unit, the liability of such Owners shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint Owners to the contrary. The cost of correcting such damage shall be a Special Assessment against the Unit and may be collected as provided herein for the collection of Common Assessments.

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ARTICLE XII

INSURANCE

Section 1. Community Properties. The Association shall keep all buildings, improvements and fixtures of the Community Properties insured against loss or damage by fire for the full insurance replacement cost thereof, 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 Community Properties shall be written in the name of the Association and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the 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 Community Properties facilities, the Association shall repair or replace the same from the insurance proceeds available, subject to the provisions of Article XI of this Declaration. 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 Units 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.

Section 3. Waiver of Subrogation. As to each policy of insurance maintained by the Association, which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, the Management Company, Declarant, the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of, or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 4. Liability and Other Insurance. The Association shall obtain comprehensive public liability insurance, including medical payments, and malicious mischief, in such limits as it shall deem desirable, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a crossliability endorsement insuring each insured against liability to each other insured. The Association may also obtain Workmen's Compensation insurance and other liability insurance as it may deem desirable, insuring each Owner and the Association, Board and Management Company, from liability in connection with the Community Properties, the premiums for which are 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 the limits increased in its discretion. The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board and the Management Company thereof 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.

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ARTICLE XIII

ENCROACHMENTS: EASEMENTS

Section 1. Encroachments. If (a) any portion of the Community Properties encroaches upon any other portion of the Project; (b) any other portion of the Project encroaches upon the Community Properties; or (c) any encroachment shall hereafter occur as the result of (i) construction of any building or other improvements; (ii) settling or shifting of a building or other improvement; (iii) any alteration or repair to the Community Properties, or any other portion of the Project; (iv) any repair or restoration of any building or other improvements or any of the Community Properties after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any building, improvements or Community Properties, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the structure causing said encroachment shall stand.

Section 2. Pipes, Wires, Ducts, Vents, Cables, Conduits, Public Utility Lines, Etc. The Association shall have an easement use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, public utility lines, and similar or related facilities located in the Project and serving the Community Properties. Each part of the Project shall be subject to an easement in favor of the Association to use, maintain, repair, alter and replace the pipes, wires, ducts, vents, cables, conduits, public utility lines and other similar or related facilities located in such part of the Project and also serving other parts thereof.

Section 3. Easements of Support. Whenever any structure included in the Community Properties adjoins any structure included in any other part of the Project, each said structure shall have and be subject to an easement of support and necessity in favor of the other structure.

Section 4. Declarant's Reservation. The Declarant, its successors, employees, invitees and assigns reserve the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Community Properties for the purpose of completing construction and sale of Units and facilities in the Project and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Community Properties for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, employees, assigns and purchasers, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Community Properties.

The Declarant and its successors, assigns, invitees, licensees, contractors and employees, shall have an easement in, on, over and across the Community Properties, in connection with the development of the Project or any similar projects which may be developed by Declarant in the vicinity of the Community Properties for (i) construction, installation, maintenance, ingress to and egress from and the right to use, including the right to use (in common with other Owners) any open parking spaces and tap into all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cable television and other utility lines servicing or located on

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the Community Properties, provided such easement and use does not prevent or unreasonably interfere with the use of the Community Properties as intended, and (ii) ingress to and egress from all land areas of the Community Properties (including the private roads if any and the use of said land areas (in common with Owners) for any lawful purpose, and (iii) to erect, maintain, repair and replace from time to time one or more signs on the Community Properties for the purposes of advertising the sale of Units in the Project and the leasing of space in any Unit and for the purpose of advertising the sale of Units which may be constructed by Declarant on land in or in the vicinity of the Project. Declarant, its successors, assigns, invitees, licensees, contractors and employees reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under, over and/or through the Community Properties, to relocate any existing utility, sewer and drainage easements in any portion of the Community Properties and to dedicate any or all of such facilities to any governmental bod, public benefit corporation or utility company if the Declarant shall deem it necessary or desirable for the proper operation and maintenance of the Community Properties or any portion thereof, or for the general health or welfare of any Owner, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Unit for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Community Properties, and the employees and agents of any such company or corporation, shall have the right of access to the Community Properties in furtherance of such easements, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of any Unit.

ARTICLE XIV

GENERAL PROVISIONS

Section 1. Enforcement. This Declaration, the Articles and the By-Laws may be enforced by the Association or the Declarant as follows:

(a) Breach of any of the covenants contained in the Declaration or the By-Laws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by any Owner, the Declarant, by the Association or the successors-in-interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

(b) The result of every act or omission whereby any of the covenants contained in this Declaration or the By-Laws are violated in whole or in part is hereby declared to be a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors-in-interest.

(c) Violation or noncompliance of any term, condition, or covenant of this Declaration, the By-Laws or the Rules and Regulations promulgated by the Board may result in a fine or penalty being imposed as provided in Articles of the By-Laws.

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(d) The remedies herein provided for breach of the covenants contained in this Declaration or in the By-Laws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(e) The failure of the Association to enforce any of the covenants contained in this Declaration or in the By-Laws shall not constitute a waiver of said Association right to enforce the same thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions or any portion thereof by judgment or court order shall in no way affect any other provisions or portions thereof which shall remain in full force and effect.

Section 3. Term. The covenants and restrictions of this Declaration shall run with and bind the Properties covered thereby, and shall inure to the benefit of and be enforceable by the Association, the Declarant or the Owner of any Unit subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of forty (40) years from the date this Declaration is recorded, after which time said covenants, conditions, reservation of easements, equitable servitudes and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument, approved by the then Owners of a majority of the Units, has been recorded, agreeing to change said covenants and restrictions in whole or in part, provided any such change does not adversely affect the Declarant without his express written consent.

Section 4. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of permitting a uniform plan for the development of a residential community and for the maintenance of community recreational facilities and Community Properties. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

Section 5. Amendments. This Declaration may be amended only by the Association as follows: (a) by the affirmative vote or written consent of the Owners holding not less than sixty-six and two-thirds percent (66-2/3%) of the voting power of the Class A Membership and the affirmative vote of the Class B Membership (so long as the Class B Membership exists), or (b) by the affirmative vote of the Class B Membership, provided, however, that no amendment shall be permitted which has a material adverse affect upon substantial rights of an Owner to the use of the Community Properties or a First Mortgagee without the prior written consent of such Owner or First Mortgagee. Notwithstanding the foregoing to the contrary, however, nothing contained herein shall affect the right of the Declarant to make such amendments or Supplemental Declarations as may otherwise be permitted herein.

Section 6. No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Community Properties to the public, or for any public use.

Section 7. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Unit or other portion of The Project does and shall be conclusively deemed to have consented and agreed to

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LEGAL DESCRIPTION

LUCERNE LAKES GOLF COLONY RECREATION AREA 1 -
LANDS BEING SUBMITTED TO CONDOMINIUM OWNERSHIP

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 970.98 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 1255.65 FEET TO THE POINT OF BEGINNING;

THENCE N 78°02'21"W A DISTANCE OF 89.31 FEET; THENCE N 07°10'25"W A DISTANCE OF 233.10 FEET; THENCE S 88°35'57"E A DISTANCE OF 43.48 FEET TO A POINT OF CURVATURE; THENCE 74.36 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 519.28 FEET, A CENTRAL ANGLE OF 08°12'16", A CHORD LENGTH OF 74.29 FEET, AND A CHORD BEARING S 84°29'49"E; THENCE DEPARTING FROM SAID CURVE ON A NON-RADIAL LINE, BEARING S 11°57'39"W A DISTANCE OF 245.71 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINING 0.700 ACRES, MORE OR LESS.

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Exhibit "A" to Declaration of
Covenants, Restrictions and Easements

LEGAL DESCRIPTION

LUCERNE LAKES GOLF COLONY RECREATION AREA 2
LANDS BEING SUBMITTED TO CONDOMINIUM OWNERSHIP

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 632.01 FEET TO THE POINT OF BEGINNING;

THENCE S 00°00'27"E A DISTANCE OF 82.00 FEET; THENCE S 89°59'33"W A DISTANCE OF 165.00 FEET; THENCE N 00°00'27"W A DISTANCE OF 82.00 FEET; THENCE N 89°59'33"E A DISTANCE OF 165.00 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINING 0.311 ACRES, MORE OR LESS.

B3884 P.1288

Exhibit "B" to Declaration of
Covenants, Restrictions and Easements

Exhibit "C" to Declaration of
Covenants, Restrictions and Easements

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 632.01 FEET TO THE POINT OF BEGINNING;

THENCE S 00°00'27"E A DISTANCE OF 82.00 FEET; THENCE S 89°59'33"W A DISTANCE OF 165.00 FEET; THENCE N 00°00'27"W A DISTANCE OF 82.00 FEET; THENCE N 89°59'33"E A DISTANCE OF 165.00 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 970.98 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 1265.65 FEET TO THE POINT OF BEGINNING;

THENCE N 78°02'21"W A DISTANCE OF 89.31 FEET; THENCE N 07°10'25"W A DISTANCE OF 233.10 FEET; THENCE S 88°35'57"E A DISTANCE OF 49.48 FEET TO A POINT OF CURVATURE; THENCE 74.36 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 519.28 FEET, A CENTRAL ANGLE OF 08°12'16", A CHORD LENGTH OF 74.29 FEET, AND A CHORD BEARING S 84°29'49"E; THENCE DEPARTING FROM SAID CURVE ON A NON-RADIAL LINE, BEARING S 11°57'39"W A DISTANCE OF 245.71 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 604.52 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 255.00 FEET TO THE POINT OF BEGINNING;

THENCE N 88°35'57"W A DISTANCE OF 620.14 FEET; THENCE N 01°24'03"E A DISTANCE OF 106.50 FEET; THENCE S 88°35'57"E A DISTANCE OF 551.36 FEET; THENCE N 00°12'58"W A DISTANCE OF 336.18 FEET TO A POINT ON A CURVE; THENCE 168.05 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 365.29 FEET, A CENTRAL ANGLE OF 26°21'30", A CHORD LENGTH OF 166.57 FEET, AND A CHORD BEARING S 13°23'43"E TO A POINT OF REVERSE CURVATURE; THENCE 126.44 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 272.68 FEET, A CENTRAL ANGLE OF 26°34'02", A CHORD LENGTH OF 125.31 FEET, AND A CHORD BEARING S 13°17'28"E TO A POINT OF TANGENCY; THENCE S 00°00'27"E A DISTANCE OF 160.34 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 774.60 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 255.00 FEET TO THE POINT OF BEGINNING;

THENCE N 88°35'57"W A DISTANCE OF 260.32 FEET; THENCE N 01°24'03"E A DISTANCE OF 170.03 FEET; THENCE S 88°35'57"E A DISTANCE OF 256.14 FEET; THENCE S 00°00'27"E A DISTANCE OF 170.08 FEET TO THE POINT OF BEGINNING.

and

B3884 P.1289

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 589.27 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 874.95 FEET TO THE POINT OF BEGINNING;

THENCE N 88°35'57"W A DISTANCE OF 525.52 FEET; THENCE N 07°10'25"W A DISTANCE OF 107.70 FEET; THENCE S 88°35'57"E A DISTANCE OF 541.57 FEET; THENCE S 01°24'03"W A DISTANCE OF 106.50 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 768.20 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 913.24 FEET TO THE POINT OF BEGINNING;

THENCE N 88°35'57"W A DISTANCE OF 495.00 FEET; THENCE N 01°24'03"E A DISTANCE OF 170.03 FEET; THENCE S 88°35'57"E A DISTANCE OF 485.00 FEET; THENCE S 01°24'03"W A DISTANCE OF 170.03 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 785.11 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 1019.74 FEET TO A POINT ON A CURVE AND THE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE 79.84 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 259.64 FEET, A CENTRAL ANGLE OF 17°37'10", A CHORD LENGTH OF 79.53 FEET, AND A CHORD BEARING N 75°36'29"W TO A POINT OF REVERSE CURVATURE; THENCE 197.58 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 519.28 FEET, A CENTRAL ANGLE OF 21°48'02", A CHORD LENGTH OF 196.39 FEET, AND A CHORD BEARING N 77°41'56"W TO A POINT OF TANGENCY; THENCE N 88°35'57"W A DISTANCE OF 93.48 FEET; THENCE N 07°10'25"W A DISTANCE OF 145.95 FEET; THENCE S 88°35'57"E A DISTANCE OF 404.52 FEET; THENCE S 01°24'03"W A DISTANCE OF 170.03 FEET; THENCE N 88°35'57"W A DISTANCE OF 18.93 FEET; THENCE S 01°24'03"W A DISTANCE OF 29.31 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 952.46 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 1353.02 FEET TO THE POINT OF BEGINNING;

THENCE S 12°06'11"W A DISTANCE OF 106.50 FEET; THENCE N 48°26'20"W A DISTANCE OF 207.59 FEET; THENCE N 50°01'49"E A DISTANCE OF 82.77 FEET; THENCE N 07°10'25"W A DISTANCE OF 401.87 FEET; THENCE S 88°35'57"E A DISTANCE OF 103.66 FEET; THENCE S 07°10'25"E A DISTANCE OF 486.76 FEET TO THE POINT OF BEGINNING.

and

B3884 P.1290

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 1011.70 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 1049.56 FEET TO THE POINT OF BEGINNING;

THENCE N 81°56'21"W A DISTANCE OF 73.11 FEET; THENCE N 78°02'21"W A DISTANCE OF 146.89 FEET; THENCE N 11°57'39"E A DISTANCE OF 245.71 FEET TO A POINT OF CURVATURE; THENCE 123.22 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 519.28 FEET, A CENTRAL ANGLE OF 13°35'46", A CHORD LENGTH OF 122.94 FEET, AND A CHORD BEARING S 73°35'48"E TO A POINT OF REVERSE CURVATURE; THENCE 79.84 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 259.64 FEET, A CENTRAL ANGLE OF 17°37'10", A CHORD LENGTH OF 79.53 FEET, AND A CHORD BEARING S 75°36'29"E; THENCE DEPARTING FROM SAID CURVE ON A NON-RADIAL LINE BEARING S 01°24'03"W A DISTANCE OF 30.69 FEET; THENCE S 88°35'57"E A DISTANCE OF 4.44 FEET; THENCE S 09°42'13"W A DISTANCE OF 198.64 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 1118.55 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 842.41 FEET TO THE POINT OF BEGINNING;

THENCE N 89°54'39"W A DISTANCE OF 242.57 FEET; THENCE N 78°02'21"W A DISTANCE OF 296.83 FEET; THENCE N 12°06'11"E A DISTANCE OF 106.50 FEET; THENCE S 78°02'21"E A DISTANCE OF 236.21 FEET; THENCE S 81°56'21"E A DISTANCE OF 73.11 FEET; THENCE S 89°54'39"E A DISTANCE OF 207.32 FEET; THENCE S 00°05'21"W A DISTANCE OF 106.50 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 989.55 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 574.55 FEET TO THE POINT OF BEGINNING;

THENCE S 83°51'12"W A DISTANCE OF 211.33 FEET; THENCE N 89°54'39"W A DISTANCE OF 264.89 FEET; THENCE N 09°42'13"E A DISTANCE OF 198.64 FEET; THENCE S 88°35'57"E A DISTANCE OF 418.83 FEET; THENCE S 07°57'06"E A DISTANCE OF 164.93 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 997.40 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 255.00 FEET TO THE POINT OF BEGINNING;

THENCE N 88°35'57"W A DISTANCE OF 319.65 FEET; THENCE N 07°57'06"W A DISTANCE OF 164.93 FEET; THENCE S 88°35'57"E A DISTANCE OF 342.45 FEET; THENCE S 00°00'27"E A DISTANCE OF 162.79 FEET TO THE POINT OF BEGINNING.

B3884 P.1291

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 1097.40 FEET; THENCE S 89°59'33"W AND PERPENDICULAR TO THE PREVIOUS DESCRIBED COURSE, A DISTANCE OF 255.00 FEET TO THE POINT OF BEGINNING;

THENCE S 89°59'33"W A DISTANCE OF 270.35 FEET; THENCE N 06°20'23"W A DISTANCE OF 10.00 FEET; THENCE S 83°51'12"W A DISTANCE OF 291.07 FEET; THENCE N 89°54'39"W A DISTANCE OF 26.55 FEET; THENCE N 00°05'21"E A DISTANCE OF 106.50 FEET; THENCE S 89°54'39"E A DISTANCE OF 57.56 FEET; THENCE N 83°51'12"E A DISTANCE OF 211.33 FEET; THENCE S 88°35'57"E A DISTANCE OF 319.65 FEET; THENCE S 00°00'27"E A DISTANCE OF 100.00 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: -

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING;

THENCE S 00°00'27"E A DISTANCE OF 470.01 FEET; THENCE S 89°59'33"W A DISTANCE OF 165.00 FEET; THENCE N 00°00'27"W A DISTANCE OF 103.83 FEET TO A POINT OF CURVATURE; THENCE 168.17 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 362.68 FEET, A CENTRAL ANGLE OF 26°34'02", A CHORD LENGTH OF 166.67 FEET, AND A CHORD BEARING N 13°17'28"W TO A POINT OF REVERSE CURVATURE; THENCE 82.39 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 179.10 FEET, A CENTRAL ANGLE OF 26°21'30", A CHORD LENGTH OF 81.67 FEET, AND A CHORD BEARING N 13°23'43"W TO A POINT OF TANGENCY; THENCE N 00°12'58"W A DISTANCE OF 122.51 FEET; THENCE N 89°59'19"E A DISTANCE OF 222.65 FEET TO THE POINT OF BEGINNING.

and

A PARCEL OF LAND LYING IN BLOCK 29, "PALM BEACH FARMS COMPANY PLAT NO. 3", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2 AT PAGES 45 THROUGH 54 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AS A POINT OF REFERENCE BEING THE NORTHEAST CORNER OF TRACT 65, BLOCK 29, OF SAID PALM BEACH FARMS COMPANY PLAT NO. 3; THENCE S 00°00'27"E ALONG THE EAST LINE OF SAID BLOCK 29, A DISTANCE OF 632.01 FEET TO THE POINT OF BEGINNING;

THENCE S 00°00'27"E A DISTANCE OF 536.01 FEET; THENCE S 89°59'33"W A DISTANCE OF 165.00 FEET; THENCE N 00°00'27"W A DISTANCE OF 536.01 FEET; THENCE N 89°59'33"E A DISTANCE OF 165.00 FEET TO THE POINT OF BEGINNING.

B3884 P.1292