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DECLARATION OF

ASHLAND CONDOMINIUM A

Lennar Homes, Inc., a Florida corporation (the "Developer") does hereby declare as follows:

1. Introduction and Submission:

1.1 The Land. The Developer owns the fee simple title to that certain land located in Palm Beach County, Florida, as more particularly described in Exhibit "1" annexed hereto (the "Land").

1.2 Submission Statement. The Developer hereby submits the Land and, except as otherwise provided herein, all improvements erected or to be erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, less and except the Central System as defined in this Declaration, to the condominium form of ownership and use in the manner provided by the Florida Condominium Act as it exists on the date hereof.

1.3 Name. The name by which this condominium is to be identified is: Ashland Condominium A (herein called the "Condominium"

2. Definitions. The following terms which are used in this Declaration and in its Exhibits, and as they may hereafter be amended, shall have the meaning described to them in this Section, except where the context clearly indicates a different meaning:

2.1 "Act" means the Condominium Act (Chapter 718 of the Florida Statutes) as it exists on the date hereof.

2.2 "Individual Agreement for Deed" means that certain Individual Agreement for Deed and Supplemental Provisions to Individual Agreement for Deed annexed hereto as Exhibits "6" and "7".

2.3 "Articles" means the Articles of Incorporation of the Association.

2.4 "Assessment" means a share of the funds required for the payment of Common Expenses which, from time to time, is assessed against the Unit Owner.

2.5 "Association" means Ashland Condominium A Association, Inc., a Florida corporation not for profit, the entity responsible for the operation of the Condominium.

2.6 "Association Property" means that property, real and personal, in which title or ownership is vested in the Association for the use and benefit of its members.

2.7 "Building" means the structure or structures in which the Units are located on the Condominium Property.

2.8 "By-Laws" means the By-Laws of the Association.

2.9 "Common Elements" shall mean and includes:

(a) The portions of the Condominium Property which are not included within the Units;

(b) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and Common Elements;

(c) An easement of support in every portion of the Unit which contributes to the support of the Building;

(d) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements;

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Please return to: Lennar Homes, Inc.
1440 Forest Hill Blvd.
West Palm Beach, FL 33414
Attn: Tammy McDonald

THIS INSTRUMENT PREPARED BY:
Morris J. Walsky, Esq.
Seven Hundred N.W. 107 Ave.
Miami, Florida 33172

(e) Any other parts of the Condominium Property designated as Common Elements in this Declaration;

(f) Common Elements includes Limited Common Elements unless the context otherwise requires.

The Common Elements shall not include the Association's interest in the Recreation Area.

2.10 "Common Expenses" means all expenses incurred and Assessments (and Special Assessments levied against all of the Units of the Condominium) by the Association for the Condominium and shall include:

(a) Expenses of administration and management of the Condominium Property.

(b) Expenses of taxes, insurance, maintenance, operation, repair and replacement of Common Elements, Limited Common Elements, Recreation Area and other common facilities of the Community, and of the portions of the Units, if any, to be maintained by the Association.

(c) Costs and expenses of capital improvements, betterments and additions to the Common Elements.

(d) The payments due and obligations imposed by the Individual Agreement for Deed and Recreation Area Management Agreement hereinafter described.

(e) Costs and expenses of carrying out the powers and duties of the Association, including any expenses allowable for services being rendered by a management company with which the Association or Master Association may contract.

(f) Expenses declared Common Expenses by the provisions of this Declaration or by any instrument annexed as an Exhibit hereto.

(g) Any valid charge against the Condominium Property as a whole.

2.11 "Common Surplus" means the excess of all receipts of the Association collected on behalf of the Condominium, including but not limited to, Assessments, Special Assessments, rents, profits and revenues on account of the Common Elements, above the amount of Common Expenses.

2.12 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to said Unit, and when the context permits, the term includes all other appurtenances to the Unit.

2.13 "Condominium Property" means the Land and the personal property that are subject to condominium ownership under this Declaration, all Improvements on the Land, and all easements and rights appurtenant thereto intented for use in connection with the Condominium.

2.14 "County" shall mean Palm Beach County, Florida.

2.15 "Declaration" or "Declaration of Condominium" means this instrument or instruments by which the Condominium will be created.

2.16 "Developer" means Lennar Homes, Inc., a Florida corporation, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign only a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Condominium. In the event of such partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

2.17 "Improvements" mean all structures and artificial changes to the natural environment (exclusive of landscaping) on the Condominium Property, including but not limited to, the Building.

2.18 "Institutional First Mortgagee" means a bank, savings and loan association, insurance company, mortgage banker, real estate or mortgage investment

EXHIBIT "B"

trust, pension fund, Developer, GNMA, FNMA, FHLMC, VA, FHA, or any other lender, or its loan correspondent or agency of the United States Government, holding, guaranteeing or insuring a first mortgage on a Unit or Units.

2.19 "Lakes of Delray Project", "Lakes of Delray" or the "Project" or "Community" means the Lakes of Delray Condominium project near Delray Beach, Florida. The lands that constitute the Lakes of Delray Project shall be determined by the Developer in its sole discretion.

2.20 "Limited Common Elements" mean those Common Elements the use of which are reserved to a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. Reference herein to Common Elements shall include also all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

2.21 "Management Contract" means and refers to that certain agreement, which provides for the management of the Condominium Property.

2.22 "Management Firm" means and refers to the corporation, its successors and assigns, identified as the Management Firm in the Management Contract. The Management Firm shall be responsible for the management of the Condominium Property as provided in the Management Contract.

2.23 "Master Association" means Lakes of Delray, Inc., a Florida corporation not for profit, the entity responsible for the administration, operation and management of the Recreation Area.

2.24 "Primary Institutional First Mortgagee" means the Institutional First Mortgagee which owns at any time first mortgages securing a greater aggregate indebtedness than is owed to any other Institutional First Mortgagee.

2.25 "Recreation Area" means those lands and the improvements thereon which are subject to and more particularly described in the Individual Agreement for Deed.

2.26 "Recreation Area Management Firm" means the Management Firm referred to in the Individual Agreement for Deed.

2.27 "Special Assessment" means any assessment levied against Unit Owners other than the Assessment required by a budget adopted annually.

2.28 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.

2.29 "Unit Owner" or "Owner of a Unit" means the Owner of a Condominium Parcel.

2.30 "Utility services" shall include, but not be limited to, electric power, water, air conditioning, MATV and CATV systems and garbage and sewage disposal.

2.31 "Voting Certificate" means a document which designates one of the record title Owners, or the corporate partnership, or entity representative who is authorized to vote on behalf of a Unit owned by more than one Owner or by any entity.

2.32 "Voting Interest" means the voting rights distributed to the Association members pursuant to the Act and Section 5 of this Declaration.

3. Description of Condominium.

3.1 Identification of Units. The Land has or will have constructed thereon one Building containing thirty four (34) Units. Each such Unit is identified by a separate numerical or alpha-numerical designation. The designation of each of such Units is set forth on Exhibit "3" annexed hereto. Exhibit "3" consists of a survey of the Land, a graphic description of the Improvements located thereon, including, but not limited to, the Buildings in which the Units are located and a plot plan thereof. Said Exhibit "3", together with this Declaration, is sufficient in detail to identify the Common Elements and each Unit and their relative locations and approximate dimensions. There shall pass with a Unit, as appurtenances thereto, (a) an undivided share in the Common Elements and Common Surplus; (b) the exclusive right to use such portion of the Common Elements as may be provided in this Declaration; (c)

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an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, provided that an easement in airspace which is vacated shall be terminated automatically; (d) membership in the Association designated in this Declaration with the full voting rights appertaining thereto and (e) other appurtenances as may be provided in this Declaration. Timeshare estates will not be created with respect to any Unit in the Condominium.

3.2 Unit Boundaries. Each Unit shall include that part of the Building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

(a) Upper and lower boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

(i) Upper boundaries. The horizontal plane(s) of the unfinished lower surface of the ceiling.

(ii) Lower boundaries. The horizontal plane of the unfinished upper surface of the concrete floor.

(b) Perimetrical boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the unfinished interior of the walls bounding the Unit extended to intersections with each other and with the upper and lower boundaries.

3.3 Limited Commons Elements. Each Unit shall have, as Limited Common Elements appurtenant thereto:

(a) Patios and Balconies. Each Unit shall have either a patio or balcony abutting it for the exclusive use of the Unit Owner owning such Unit. The Unit Owner shall be responsible for maintenance and care of the patio or balcony, including, without limitation, all wiring, electric outlets, lighting fixtures and screening. A Unit Owner may not enclose exterior patios or balconies without the prior written consent of the Management Firm, if applicable, and the Board of Directors of the Association.

(b) Storage Space and Utility Space. Storage space and/or utility space is located within each patio or balcony area and shall be used exclusively by the Unit Owner entitled to make exclusive use of said patio or balcony.

(c) Air Conditioner Condensing Unit. If located within the Condominium Property, each Unit Owner shall be responsible for the maintenance and care of the air conditioner condensing unit.

(d) Automobile Parking Spaces. The automobile parking spaces shall be Limited Common Elements of the Units with respect to which the space or spaces are assigned.

(i) Assigned Spaces for Units. Each Unit shall be entitled to the exclusive use of one (1) parking space which the Developer shall assign to the Unit at closing. Thereafter, the Board of Directors of the Association shall be empowered to change said assignments, provided the Unit Owners affected by such change consent thereto, and provided that no changes may be made without the prior consent of the Developer so long as the Developer owns any Units. Assignments (or changes in assignments) made pursuant to this Section 3.3(c)(i) shall be in writing (but not recorded in the Public Records) with a copy furnished to the Board of Directors.

(ii) Nature of Assignment. An assignment of any parking space grants only the exclusive use thereof as a Limited Common Element appurtenant to the particular Unit and does not convey any title thereto. Any transfer, or subsequent assignment as contemplated above, shall operate to transfer only the exclusive use of such space(s). Except as provided specifically in Section 3.3(c)(i) above, the space(s) assigned to the Unit pursuant to

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such Section 3.3(c)(i) shall not be assignable except together with the applicable Unit and the form of assignment given by the Developer shall so note. In the event a Unit Owner leaves his space(s) vacant while he is away from the Unit for an extended period, the Association shall be entitled to allow other persons to use said space(s) while they remain vacant.

3.4 Easements. The following easements are hereby created (in addition to any easements created under the Act).

(a) Support. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

(b) Utility and Other Services; Drainage. Easements are reserved under, through and over the Condominium Property as may be required from time to time for utility and other services and drainage in order to serve the Condominium. A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility or other services or drainage facilities or the use of these easements. The Board of Directors of the Association or its designee shall have an easement to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility, service and drainage facilities and Common Elements contained in the Unit or elsewhere in the Condominium Property.

(c) Encroachments. If (a) any portion of the Common Elements encroaches upon any Unit; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (c) any encroachment shall hereafter occur as a result of (i) construction of the improvements; (ii) settling or shifting of the improvements; (iii) any alteration or repair to the Common Elements made by or with the consent of the Association, or (iv) any repair or restoration of the improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the improvements shall stand.

(d) Ingress and Egress. A non-exclusive easement in favor of each Unit Owner and resident, their guests and invitees, shall exist for pedestrian traffic over, through and across sidewalks, streets, paths, walks and other portions of the Common Elements as from time to time may be intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as from time to time may be paved and intended for such purposes. None of the easements specified in this Subparagraph (d) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) shall automatically be subordinate to, the rights of Unit Owners with respect to such easements. In addition, there is hereby created a non-exclusive easement in favor of all of the Owners of residential Units, residents and their guests and invitees in the Community for ingress and egress over those portions of the Common Elements designated for vehicular traffic so as to provide reasonable access to the roads built within the Community. All of the lakes, and other waterways located at the Community are intended for the use and enjoyment of all of the residents of the Community. Accordingly, non-exclusive easements for ingress and egress located at the Community shall exist in favor of the Community (its designees, invitees, agents, licensees, employees, successors and assigns), and all residents of the Community (their respective heirs, successors and assigns), for use of such lakes and other waterways, driveways, walk-ways and other rights-of-way established within the Community from time to time.

(e) Construction. The Developer (including its designees, contractors, successors and assigns) shall have the right, in its and their sole discretion, from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of completing

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the construction or warranty repair or replacement thereof, of any improvements or Unit located or to be located thereon.

(f) Sales Activity. For as long as there are any unsold Units, the Developer, its designees, successors and assigns, shall have the right to use any such Units and parts of the Common Elements for model apartments and sales offices, to show model apartments and the Common Elements to prospective purchasers and tenants of the Units, and to erect on the Condominium Property signs and other promotional material to advertise Units and certain Limited Common Elements for sale or lease.

(g) Developer's Warranty. For as long as Developer is liable under the terms of its Warranty in favor of the Unit Owners and Association, Developer, including its designees and contractors shall have the right, in its and their sole discretion, from time to time, to enter the Condominium Property or any Improvements or Units located thereon, for repair or replacement purposes and take all other action necessary or convenient for the purpose of fulfilling its obligations under the Warranty.

(h) Additional Easements. The Association, on its behalf and on behalf of all Unit Owners (each of whom hereby appoints the Developer and the Association as their attorney-in-fact for this purpose), each shall have the right to grant such additional electric, gas, other utility or service or other easements, or relocate any existing easements or drainage facilities in any portion of the Condominium Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium Property, as the Association shall deem necessary or desirable for the proper operations and maintenance of the Improvements, or any portion thereof, or the Community or any portion thereof, or for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes. The Association has the authority without the joinder of any Unit Owners, to grant, modify or move any easement, subject to the provisions of the easement, if the easement constitutes part of or crosses the Common Elements.

3.5 Recreation Area. An undivided interest in the Recreation Area may be purchased from the Developer by the Unit Owners in the Condominium for the non-exclusive use and enjoyment of the purchasing Unit Owners, all pursuant to the provisions of the Individual Agreement for Deed. The interest in the Recreation Area being acquired by each Unit Owner is to be or has been assigned to the Association shall be an asset of the Unit Owners, but shall not be part of the Condominium Property or the Common Elements.

4. Restraint Upon Separation and Partition of Common Elements. The undivided share in the Common Elements and Common Surplus which is appurtenant to a Unit, an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, membership in the Association designated in this Declaration, with the full voting rights appertaining thereto, and except as provided herein, the exclusive right to use all appropriate appurtenant Limited Common Elements, shall not be separated from and shall pass with the title to the Unit, whether or not separately described. All of these aforedescribed appurtenances to a Unit cannot be conveyed or encumbered except together with the Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall lie, except as provided herein with respect to termination of the Condominium.

5. Ownership of Common Elements and Common Surplus and Share of Common Expenses; Voting Rights.

5.1 Percentage Ownership and Shares. The undivided percentage interest in the Common Elements and Common Surplus, and the percentage share of the Common Expenses appurtenant to each Unit, is set forth in Exhibit "2" annexed hereto.

5.2 Voting. Each Unit shall be entitled to one vote to be cast by its Owner in accordance with the provisions of the By-Laws and Articles. Each Unit Owner shall be a member of the Association.

6. Amendments. Except as elsewhere provided herein, amendments may be effected as follows:

6.1 By the Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association or by not less than one-third (1/3) of the voting interests of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, approvals must be by affirmative vote of:

(a) Unit Owners owning in excess of fifty (50%) percent of the voting interests represented at any meeting at which a quorum has been attained and by not less than 66-2/3% of the Board of Directors of the Association; or,

(b) Unit Owners owning not less than eighty (80%) percent of the voting interests represented at any meeting at which a quorum has been attained; or,

(c) One hundred percent (100%) of the Board of Directors; or

(d) Not less than fifty (50%) percent of the entire membership of the Board of Directors in the case of amendments to the section hereof entitled "Insurance" or other sections that are reasonably required by insurers or the Primary Institutional First Mortgagee.

6.2 By the Developer. Provided said changes, alterations, additions and improvements are (1) not inconsistent with the terms and provisions of the Act and the applicable rules of the Florida Department of Business and Professional Regulation, and (2) as more particularly described in the Offering Circular or prospectus required under the Act, the Developer shall have the right without the consent or approval of the Board of Directors or unit owners to provide additional and/or expand and/or alter recreational or other commonly used facilities; provided that the relocation or alteration does not materially adversely affect the market value or the ordinary use of the units owned by Unit Owners other than the Developer.

6.3 Execution and Recording. An amendment other than amendments made by the Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association which shall include recording date identifying the Declaration and shall be executed in the form required for the execution of a Deed. Amendments by the Developer must be evidenced in writing, but a certificate of the Association is not required. An amendment of the Declaration is effective when properly recorded in the Public Records of the County.

6.4 Procedure. No provision of this Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of this Declaration shall contain the full text of the provision to be amended; new words shall be inserted in the text underlined; and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of declaration. See provision .... for present text". Nonmaterial errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

6.5 Proviso. Unless otherwise provided specifically to the contrary in this Declaration, no amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to any

Unit, or change the percentage by which the Owner of a Unit shares the Common Expenses and owns the Common Elements and Common Surplus, unless the record Owner(s) thereof and all record owners of mortgages or other liens thereon shall join in the execution of the amendment. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer, Institutional First Mortgagees or mortgagees of Units without the consent of said Developer, or Institutional First Mortgagees or mortgagees in each instance; or shall an amendment make any change in the sections hereof entitled "Reconstruction or Repair after Casualty" or "Condemnation" unless all Institutional First Mortgagees whose mortgages are of record shall join in the amendment.

7. Maintenance and Repairs.

7.1 Units. All maintenance, repairs and replacements of, in or to any Unit and Limited Common Elements appurtenant thereto, whether structural or nonstructural, ordinary or extraordinary, including, without limitation, maintenance, repair and replacement of screens, windows, the interior side of the entrance door and all other doors within or affording access to a Unit, and the electrical, plumbing, heating and air-conditioning equipment, fixtures and outlets, if any, within the Unit or the Limited Common Elements or belonging to the Unit Owner, shall be performed by the Owner of such Unit at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein, and shall be in accordance with the original plans and specifications therefor or as otherwise directed by the Association and/or the Architectural Control and Maintenance Standards Committee, if applicable. Additionally, each Unit Owner shall pay all charges for utility services metered directly to his Unit.

7.2 Common Elements. Except to the extent (i) expressly provided to the contrary herein, or (ii) proceeds of insurance are made available therefor, all maintenance, repairs and replacements in or to the Common Elements (other than Limited Common Elements as provided above) shall be performed by the Association and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense, except to the extent arising from or necessitated by the negligence, misuse or neglect of specific Unit Owners, in which case such cost and expense shall be paid solely by such Unit Owners.

7.3 Specific Unit Owner Responsibility. The obligation to maintain and repair the following specific items shall be the responsibility of the Unit Owners, individually, and not the Association, without regard to whether such items are included within the boundaries of the Units or whether they are Limited Common Elements:

(a) Where a Limited Common Element consists of a balcony or patio, the Unit Owner who has the right to the exclusive use of said balcony or patio 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 area, if any, and the fixed and/or sliding glass door(s) in or other portions of the entrance way(s) of said area, if any, and the wiring, electrical outlet(s) and fixture(s) thereon, if any, and the replacement of light bulbs, if any.

(b) Storage space and/or utility space, if applicable.

(c) Individual heat-sensored sprinkler head(s) which are located within each Condominium Unit as part of the Condominium Unit. It is the responsibility of each Unit Owner to ensure the sprinkler head(s) which are located in their Condominium Unit are maintained in good working order and free from obstructions.

7.4 Recreation Area. Upon conveyance of a Unit Owner's individual share of the Recreation Area to the Association, the maintenance, repair, replacement, alteration and improvement of the Recreation Area shall be by the Association at the Association's expense according to the provisions of the Individual Agreement for Deed.

7.5 Light Fixtures. Prior to completion of the last Unit to be constructed in the Community, the Association or its designee, shall have the right to cause those electric light fixtures attached to the front exterior of the Building between

Units plus those electric street lights adjoined to each Building to be turned on and off via an automatic device. The Association shall be responsible for the cost of the electricity, maintenance, repair and replacement of all parts of the electric light fixtures, the street lights and the automatic device. The light fixtures that are placed on the Building immediately outside the front exterior of each Unit will be manually operated by each Unit Owner from within his respective Unit. The replacement and maintenance of these fixtures shall be an expense of the Association; however, the cost of electricity shall be an expense to the Unit Owner.

7.6 Parking Spaces. The Association shall maintain and repair at the Association's expense all parking spaces, including those which have been assigned as an appurtenance to a Unit, and in that connection the Association shall have the right to temporarily re-assign parking spaces while making repairs.

7.7 Miscellaneous. All work performed on the Condominium Property or any portion thereof shall be in compliance with all applicable governmental building and zoning requirements. All plumbing and electrical maintenance, repairs, and replacements shall be made only by plumbers or electricians duly licensed and qualified to perform such services in either Dade, Broward or Palm Beach Counties, Florida.

8. Additions, Alterations or Improvements by the Association. Whenever, in the judgment of the Board of Directors, the Common Elements or any part thereof shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of Five Hundred Dollars ($500.00) in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by a majority of the voting interests represented at a meeting at which a quorum is attained. Any such additions, alterations, or improvements to such Common Elements or any part thereof costing in the aggregate of Five Hundred Dollars ($500.00) or less in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses.

9. Additions, Alterations or Improvements by Unit Owners.

9.1 Consent of the Board of Directors. No Unit Owner shall make any addition, alteration or improvement in or to the Common Elements, his Unit or any Limited Common Elements without the prior written consent of the Board of Directors and/or the Architectural Control and Maintenance Standards Committee, if applicable. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an addition, alteration or improvement in such Unit Owner's Unit or Limited Common Elements within thirty (30) days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction and with any conditions imposed by the Association and/or the Architectural Control and Maintenance Standards Committee, if applicable, with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise.

A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance from and after that date of installation or construction thereof as may be required by the Association. Unless expressly permitted in writing by the Association, the installation of any floor covering, other than padded carpeting or well padded vinyl tile, is prohibited. In any event, Unit Owners shall have the duty of causing there to be placed underneath such covering, so as to be between any such covering and the floor of the Unit, generally accepted and approved material for diminution of noise and sound, so that the floors shall be adequately soundproof according to general architectural and engineering standards presently observed in the community.

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9.2 Additions, Alterations or Improvements by Developer. The Association shall have the additional right, with the approval of a majority of the Voting Interests of the Association , to make alterations, additions or improvements, structural and nonstructural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the improvements). If the Developer alters the floor plans of the building, the Association will cause an amendment to the Declaration to be recorded showing such changes.

10. Changes in Developer-Owned Units. Without limiting the generality of the provisions of Section 9.2 above, the Developer shall have the right, with the approval of a majority of the Voting Interests of the Association to (i) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or nonstructural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Developer-owned Units; (iii) combine contiguous Developer-owned Units; provided, however, that the number of Units and their apportionate percentage interest in the Common Elements and share of the Common Surplus and Common Expenses as set forth herein shall not be changed by reason thereof unless the Owners of all Units affected by said change shall consent thereto, and, provided further that Association shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and improvements, the Association may relocate and alter Common Elements adjacent to such Units provided that such relocation and alteration does not materially adversely affect the market value or ordinary use of Units owned by Unit Owners other than the Developer.

11. Operation of the Condominium by the Association; Power and Duties. The Association shall be the entity responsible for the operation of the Condominium. The powers and duties of the Association shall include those set forth in the Articles and By-Laws of the Association (respectively, Exhibits "4" and "5" annexed hereto), as amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

(a) The irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements therein or at any time and by force, if necessary, for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units.

(b) The power to make and collect Assessments and Special Assessments and other charges and surcharges against Unit Owners and to lease, maintain, repair and replace the Common Elements.

(c) The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.

(d) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments and Special Assessments, preparation of records, enforcement of rules and maintenance, repairs and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Act, including but not limited to the making of Assessments, Special Assessments, promulgation of rules and execution of contracts on behalf of the Association.

(e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, provided that such actions are approved by a majority of the entire membership of the Board of Directors and a majority of the voting interests of the Unit

Owners represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or voting interests of the Unit Owners as may be specified in the By-Laws with respect to certain borrowing.

(f) Subsequent to the recording of this Declaration, the Association, when authorized by a majority of the voting interests of the Units represented at a meeting at which a quorum has been attained, shall have the power to acquire and enter into agreements for the acquisition of fee interests, leaseholds, memberships and other possessory or use interests in lands or facilities, including, but not limited to, country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to the lands of the Condominium intended to provide for the use or benefit of the Unit Owners (whether or not on an exclusive basis). The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses.

(g) The power to adopt and amend the rules and regulations covering the details of the operation and use of the Condominium Property.

(h) The power to levy reasonable fines against a Unit for failure of the Owner or its occupant, licensee or invitee to comply with any provision of this Declaration, the By-Laws or the rules and regulations.

(i) All of the powers which a corporation not for profit in the State of Florida may exercise.

In the event of conflict between the powers and duties of the Association or otherwise, the Declaration shall take precedence over the Articles, By-Laws and applicable rules and regulations; the Articles shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations, all as amended from time to time.

11.1 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair caused by any latent condition of the Condominium Property.

11.2 Restraint Upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

11.3 Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for the Unit if at an Association meeting, unless the joinder of record Owners is specifically required by the Declaration or by law.

11.4 Acts of the Association. Unless the approval or action of Unit Owners and/or a certain specific percentage of the Board of Directors of the Association is specifically required in this Declaration, the Articles or By-Laws of the Association, applicable rules and regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

11.5 Recreation Area. Simultaneously with the recording of this Declaration, the Association has entered into that certain Individual Agreement for Deed and Supplemental Provisions to Individual Agreement for Deed, which is attached hereto as Exhibit "6", and anything to the contrary notwithstanding, the Association and the Unit Owners shall be bound by all of the terms and pro-

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visions of said Individual Agreement for Deed and Supplemental Provisions to Individual Agreement for Deed, and all Exhibits thereto.

12. Determination of the Common Expenses and Fixing of Assessments Therefor. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the Assessment payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the expenses of the operation, maintenance, repair and replacement of the Common Elements and Recreation Area or other commonly used facilities and services, Special Assessments levied against all of the Units of the Condominium and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles or By-Laws of the Association, applicable rules and regulations, or by the Association. Any budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of the By-Laws. Additionally, the charges for cable television services and auxiliary services, if any, to be provided to all of the Units of the Condominium, shall be deemed to be a Common Expense. The Board of Directors in determining the amount of the Assessments payable by the Unit Owners shall be authorized to include such charges in the estimated operating budget for the Condominium. Accordingly, the provisions contained in Section 13 of this Declaration with respect to the collection of Assessments shall be applicable to the charges for cable television services and auxiliary services.

13. Collection of Assessments and Special Assessments.

13.1 Liability for Assessments and Special Assessments. A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all Assessments and Special Assessments coming due while he is the Unit Owner. Except as provided for in Section 13.5, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments and Special Assessments against the grantor for his share of the Common Expenses up to the time of transfer of title, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for Assessments and Special Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments and Special Assessments are made or otherwise.

13.2 Default in Payment of Assessments or Special Assessments for Common Expenses. Assessments, Special Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the highest rate allowable by law from the due date until paid. The Association has a lien on each Condominium Parcel for any unpaid Assessments and Special Assessments on such Parcel, with interest and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the Assessments and Special Assessments or enforcement of the lien. The lien is effective from and after recording a claim of lien in the Public Records of the County, stating the description of the Condominium Parcel, the name of the record Owner, the amount due and the due dates. No such lien shall continue for a longer period than one year after the claim of lien has been recorded, unless within that time an action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid Assessments, Special Assessments, interest, costs, and attorney's fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure. A claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon payment the person making the payment is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose a lien for unpaid Assessments and Special Assessments in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments and Special Assessments without waiving any claim of lien.

13.3 Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the

unpaid Assessments and Special Assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments and Special Assessments, including those coming due after the claim of lien is recorded, and other sums permitted hereunder are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return receipt requested, addressed to the Unit Owner at the last known address, and upon such mailing, the notice shall be deemed to have been given and the court shall proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit the Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act and shall not apply if an action to foreclose a mortgage on the Unit is pending before any court if the Association's rights would be affected by such foreclosure, and if actual, constructive or substitute service of process has been made on the Unit Owner.

13.4 Appointment of Receiver to Collect Rental. If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit and the Association is entitled to the appointment of a receiver to collect the rent.

13.5 First Mortgagee. A first mortgagee who acquires title to the Unit by foreclosure or by deed in lieu of foreclosure shall be liable for the unpaid common expenses and assessments that became due prior to the mortgagee's receipt of the deed. However, the mortgagee's liability is limited to a period not to exceed six (6) months, but in no event shall the first mortgagee's liability exceed one (1%) percent of the original mortgage debt. The first mortgagee's liability for such expenses or assessments shall commence 30 days after the date the first mortgagee received the last payment of principal or interest.

13.6 Developer's Liability for Assessments. (i) The Developer shall be excused from the payment of the share of the Common Expenses and Assessments relating to Units it is offering for sale, for a period beginning with the recording of this Declaration and ending on the earlier of one year from the first day of the following month in which the Certificate of Occupancy is issued or the date of turnover of the Association (the "Guarantee Expiration Date"), provided that the regular monthly Assessments for Common Expenses imposed on each Unit Owner other than the Developer shall not increase during such period over $81.10, which is the amount set opposite such Unit's designation (model type) in the Estimated Operating Budget for the Association contained in the Supplement to the Offering Circular (Prospectus) delivered to such Unit Owner when such Owner contracted to purchase the Unit, if applicable; and provided further that the Developer shall be obligated to pay any amount of Common Expenses actually incurred during such period and not produced by the Assessments at the guaranteed level receivable from Unit Owners. The period that Developer is excused from the payment of the share of Common Expenses and Assessments relating to Units it is offering for sale may be unilaterally extended by the Developer for one or more successive periods of one year each until such time as the Developer does not own any units in the Condominium.

(ii) No funds receivable from Unit purchasers or Owners payable to the Association or collected by the Developer on behalf of the Association, other than regular periodic Assessments for Common Expenses as provided in this Declaration and disclosed in the Estimated Operating Budget contained in the Supplement to the Offering Circular (Prospectus) delivered to such Unit purchaser or Owner when such Unit purchaser or Owner contracted to purchase the Unit, if applicable, shall be used for payment of Common Expenses prior to the Guarantee Expiration Date. This restriction shall apply to funds including, but not limited to, capital contributions or start-up funds collected from Unit purchasers at closing.

13.7 Certificate of Unpaid Assessments. The Association shall provide a certificate stating all Assessments, Special Assessments and other moneys owed to the Association by the Unit Owner with respect to the Condominium Parcel,

within 15 days after request by a Unit Owner or Institutional First Mortgagee.

13.8 Installments. Assessments or Special Assessments may be collected monthly or quarterly in advance, at the option of the Association, from time to time.

13.9 Recreation Area. The Unit Owners acknowledge that the Developer is attempting to create a total environment or "way-of-life" in the Community (involving a single residence and recreation product). The Developer, insofar as is referred to in the Individual Agreement for Deed, may be referred to as the Seller. In that connection, each Unit Owner, by acceptance of a deed or other instrument conveying title to a Unit, adopts, consents and ratifies the Individual Agreement for Deed to be executed simultaneously with the recording of this Declaration and agrees that the terms and provisions thereof are fair and reasonable. In addition to all other assessments, each Unit is hereby assessed the sum of $4,800.00 as a contribution to the capital of the Association. The proceeds of such assessments shall be utilized by the Association to purchase, as a capital asset, an undivided interest in the Recreation Area pursuant to the provisions of the Individual Agreement for Deed. The said assessments shall bear interest at the rate of 9.875% per annum, shall be payable in 360 equal monthly self-amortizing installments of principal and interest, and may be prepaid in full by a Unit Owner at any time subsequent to the date of his purchase of a Unit. If any Unit Owner shall fail to pay the said assessment, or any installment thereon, the Seller under said Individual Agreement for Deed, in addition to all other remedies therein provided and provided by law shall have a mortgage lien against the Unit of such defaulting owner for the remaining unpaid balance of the assessments, which may be thereupon accelerated and be due and payable in full, together with all interest thereon, court costs and attorneys' fees and appellate attorneys' fees incurred in enforcing said lien and payment of said assessments. The indebtedness of each Unit Owner shall be further evidenced and secured by the execution at closing of his Unit of a Pledge Agreement in the forms attached to the Individual Agreement for Deed. The foreclosure of said lien or Pledge Agreement against a Unit Owner for his proportionate share of monies shall not be considered or contrued as a termination or cancellation of the Individual Agreement for Deed or operate as an extinguishment of any other lien rights or remedies provided by said Individual Agreement for Deed or by law. The mortgage lien herein provided shall be subordinate to the lien of any Unit. In the event of prepayment in full of said assessment, the Association shall deliver to the Unit Owner making such prepayment a receipt therefore in recordable form, joined in by the Seller, reflecting that no further assessments on account of the purchase price of the Recreation Area shall be made against the Unit. Upon a properly approved transfer of title of a Unit wherein the transferee assumes all liability under the Individual Agreement for Deed and Pledge Agreement, the transferor shall be relieved of all such liability.

The Developer shall be excused from the payment of any assessments on account of the purchase price of the Recreation Area; provided that during the time Developer is so excused, the monthly sum otherwise due under the Individual Agreement for Seed shall be deemed to be abated and deferred.

13.10 Special Assessments. The specific purpose or purposes of any Special Assessment approved in accordance with this Declaration, Articles, or By-Laws shall be set forth in a written notice of such Special Assessment sent or delivered to each Unit Owner. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in such notice, or returned to the Unit Owners. However, upon completion of such specific purpose or purposes, any excess funds shall be considered Common Surplus.

14. Insurance. Insurance covering portions of the Condominium Property shall be governed by the following provisions:

14.1 Purchase, Custody and Payment.

(a) Purchase. All insurance policies described herein covering portions of the Condominium Property shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida.

(b) Approval. Each insurance policy, the agency and company issuing the policy and the Insurance Trustee (if appointed) hereinafter described, shall be subject to the approval of the Primary Institutional First Mortgagee in the first instance.

(c) Named Insured. The named insured shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be additional insured.

(d) Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee (if appointed), and all policies and endorsements thereto shall be deposited with the Insurance Trustee (if appointed).

(e) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional First Mortgagee who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

(f) Personal Property and Liability. Unit Owners may obtain insurance coverage at their own expense and at their own discretion upon the property lying within the boundaries of their Unit, including, but not limited to, their personal property and for their personal liability and living expense and for any other risks.

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

(a) Casualty. The Building (including all fixtures, installations or additions comprising that part of the Building within the boundaries of the Units initially installed, or replacements thereof, of like kind or quality in accordance with the original plans and specifications therefor, or as existed at the time the Unit was initially conveyed if the original plans and specifications are not available, but excluding floor coverings, wall coverings and ceiling coverings, all furniture, furnishings or other personal property owned, supplied or installed by Unit Owners or tenants of Unit Owners) and all Improvements located on the Common Elements from time to time, together with all service machinery contained therein (collectively, the "Insured Property"), shall be insured in an amount not less than one hundred (100%) percent of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against:

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

(ii) Such other risks as from time to time are customarily covered with respect to buildings and Improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.

(b) Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property, with such coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than $300,000 for each accident or occurrence, $100,000 per person and $50,000 property damage, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa.

(c) Workers' Compensation and other mandatory insurance, when applicable.

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(d) Flood Insurance, if required by the Primary Institutional First Mortgagee or if the Association so elects.

(e) Fidelity Insurance covering all directors, officers and employees of the Association and managing agents who handle Association funds, if any.

(f) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

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

14.3 Additional Provisions. All policies of physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the named insured, including all mortgagees of Units Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company or other competent appraiser, of the full insurably replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Section.

14.4 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the amount of increase in the premium occasioned by misuse, occupancy or abandonment of any one or more Units or their appurtenances or of the Common Elements by particular Unit Owners shall be charged against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

14.5 Insurance Trustee; Share of Proceeds. All insurance policies obtained by the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Insurance Trustee which may be designated by the Board of Directors and which, if so appointed, shall be a bank or trust company in Florida with trust powers with its principal place of business in the County. The Insurance Trustee (if appointed) shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee (if appointed) shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

(a) Insured Property. Proceeds on account of damage to the Insured Property shall be held in undivided shares for each Unit Owner, such shares being the same as the undivided shares in the Common Elements appurtenant to each Unit, provided that if the Insured Property so damaged includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if that portion of the Insured Property were Optional Property as described in subparagraph (b) below.

(b) Optional Property. Proceeds on account of damage solely to Units and/or certain options or all of the contents thereof not included in the Insured Property (all as determined by the Association in its sole discretion) (collectively, the "Optional Property"), if any is collected by reason of optional insurance which the Association elects to carry thereon (as contemplated herein), shall be held for the benefit of Owners of Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such

affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

(c) Mortgagees. No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

14.6 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee (if appointed) shall be distributed to or for the benefit of the beneficial Owners thereof in the following manner:

(a) Expenses of the Trust. All expenses of the Insurance Trustee (if appointed) shall be first paid or provisions shall be made therefor.

(b) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, remittances to Unit Owners and their mortgagees being payable jointly to them.

(c) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Section 14.5 above, and distributed first to all Institutional First Mortgagees in an amount sufficient to pay off their mortgages, and the balance, if any, to the beneficial owners. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by them.

(d) Certificate. In making distribution to Unit Owners and their mortgagees, the Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.

14.7 Association as Agent. The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

14.8 Unit Owners Personal Coverage. Insurance policies issued to individual Unit Owners shall provide that the coverage afforded by such policies is excess over the amount recoverable under any other policy covering the same property without rights of subrogation against the Association. Unless the Association elects otherwise, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within his Unit, nor casualty or theft loss to the contents of an Owner's Unit. It shall be the obligation of the individual Unit Owner, if such Owner so desires, to purchase and pay for insurance as to all such other risks not covered by insurance carried by the Association.

14.9 Benefit of Mortgagees. Certain provisions in this Section 14 entitled "Insurance" are for the benefit of mortgagees of Units and may be enforced by them.

14.10 Insurance Trustee. The Board of Directors of the Association shall have the option in its discretion of appointing an Insurance Trustee hereunder. If the Association fails or elects not to appoint such Trustee, the Association will perform directly all obligations imposed upon such Trustee by this Declaration.

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15. Reconstruction or Repair After Fire or Other Casualty.

15.1 Determination to Reconstruct or Repair. In the event of damage to or destruction of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) as a result of fire or other casualty unless seventy-five (75%) percent or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is destroyed or substantially damaged and Unit Owners owning eighty (80%) percent or more of the applicable interests in the Common Elements elect to proceed with repairs or restoration and the Primary Institutional First Mortgagee approves such election, the Board of Directors shall arrange for the prompt repair and restoration of the Insurance Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) and the Insurance Trustee (if appointed) shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If seventy-five (75%) percent or more of the Insured Property (and the Optional Property, if insurance has been obtained by the Association with respect thereto) is substantially damaged or destroyed and if Unit Owners owning eighty (80%) percent of the applicable interests in the Common Elements duly and promptly resolve not to proceed with the repair or restoration thereof and the Primary Institutional First Mortgagee approves such resolution, the Condominium Property will not be repaired and shall be subject to an action for partition instituted by the Association, any Unit Owner, mortgagee or lienor, as if the Condominium Property were owned in common, in which event the net proceeds of insurance resulting from such damage or destruction shall be divided among all the Unit Owners in proportion to their respective interests in the Common Elements with respect to proceeds held for damage to the Insured Property other than that portion of the Insured Property lying within the boundaries of the Unit, and among affected Unit Owners in proportion to the damage suffered by each such affected Unit Owner, as determined in the sole discretion of the Association (with respect to proceeds held for damage to the Optional Property, if any, and/or that portion of the Insured Property lying within the boundaries of the Unit); provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such fund all mortgages and liens on his Unit in the order or priority of such mortgages and liens. Whenever in this Section the words "promptly repair" are used, it shall mean that repairs are to begin not more than sixty (60) days from the date the Insurance Trustee (if appointed) notifies the Board of Directors and Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated cost of such work, nor not more than ninety (90) days after the Insurance Trustee (if appointed) notifies the Board of Directors and the Unit Owners that such proceeds of insurance are insufficient to pay the estimated costs of such work. The Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

15.2 Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the original improvements; or if not, then in accordance with the plans and specifications approved by the Board of Directors of the Association, and if the damaged property which is to be altered is the Building or the Optional Property, by the Owners of not less than eighty percent (80%) of the applicable interests in the Common Elements, as well as the Owners of all Units and other portions of the Optional Property (and their respective mortgagees) the plans for which are to be altered.

15.3 Special Responsibility. If the damage is only to those parts of the Optional Property for which the responsibility of maintenance and repair is that of the respective Unit Owners, then the Unit Owners shall be responsible for all necessary reconstruction and repair (unless insurance proceeds are held by the Association with respect thereto by reason of the purchase of optional insurance thereon, in which case the Association shall have the responsibility to reconstruct and repair the damaged Optional Property, provided the respective Unit Owners shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds the insurance proceeds held for such repair or reconstruction on a Unit by Unit basis, as determined in the sole discretion of the Association). In all other instances,

the responsibility for all necessary reconstruction and repair shall be that of the Association.

15.4 Estimate of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

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

15.6 Construction Funds. The funds for payment of the costs of reconstruction and repair, which shall consist of proceeds of insurance held by the Insurance Trustee (if appointed) and funds collected by the Association from Special Assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

(a) Association. If the total Special Assessments made by the Association in order to provide funds for payment of the costs of reconstruction and repair which are the responsibility of the Association are more than Ten Thousand Dollars ($10,000), then the sums paid upon such Special Assessments shall be deposited by the Association with the Insurance Trustee (if appointed). In all other cases, the Association shall hold the sums paid upon such Special Assessments and disburse the same in payment of the costs of reconstruction and repair.

(b) Disbursement. The proceeds of insurance collected on account of a casualty, and the sums collected from Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(i) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than Fifty Thousand Dollars ($50,000), then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors of the Association; provided, however, that upon request to the Insurance Trustee (if appointed) by an Institutional First Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided below for the reconstruction and repair of major damage.

(ii) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than Fifty Thousand Dollars ($50,000), then the construction fund shall be disbursed in payment of such costs in the manner contemplated by sub-paragraph (i) above, but then only upon the further approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

(iii) Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are the responsibility of the Association, this balance may be used by the Association to effect repairs to the Optional Property (if not insured or if under insured), or may be distributed to Owners of the Optional Property who have the responsibility for reconstruction and repair thereof. The distribution shall be in the proportion that the estimated cost of reconstruction and repair of

such damage to each affected Unit Owners bears to the total of such estimated costs to all affected Unit Owners, as determined by the Board; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs of repair for his portion of the Optional Property. All proceeds must be used to effect repairs to the Optional Property, and if insufficient to complete such repairs, the Owners shall pay the deficit with respect to their portion of the Optional Property and promptly effect the repairs. Any balance remaining after such repairs have been effected shall be distributed to the affected Unit Owners and their mortgagees jointly as elsewhere herein contemplated.

(iv) Surplus. It shall be presumed that the first monies disbursed in payment of cost of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs relating to the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated, except, however, that part of a distribution to an Owner which is not in excess of Assessments paid by such Owner into the construction fund shall not be made payable to any mortgagee.

(v) Certificate. Notwithstanding the provisions herein, the Insurance Trustee (if appointed) shall not be required to determine whether or not sums paid by Unit Owners upon Special Assessments shall be deposited by the Association with the Insurance Trustee (if appointed), nor to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Special Assessments paid by Owners, nor to determine the payees nor the amounts to be paid. The Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

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

16. Condemnation.

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

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

16.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and Special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and Special Assessments

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shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee (if appointed) after a casualty, or as elsewhere in this Section 16 specifically provided.

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

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

(b) Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

(c) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, an amendment to the Declaration must be recorded in the Public Records; however, no amendment may change the proportion or percentage by which the owner of the parcel shares the common expenses and owns the common surplus unless the record owner of the unit and all record owners of liens on it join in the execution of the amendment and unless the record owners of a majority of the other units approve the amendment.

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

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

(a) Payment of Award. The awards shall be paid first to the applicable Institutional First Mortgagee in amounts sufficient to pay off their mortgages in connection with each Unit which is not so habitable; second, to the Association for any due and unpaid Assessments and Special Assessments; third, jointly to the affected Unit Owners and other mortgagees of their Units. In no event shall the total of such distributions in respect of a specific Unit exceed the market value of such Unit immediately prior to the taking. The balance, if any, shall be applied to repairing and replacing the Common Elements.

(b) Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors of the Association; provided that if the cost of the work therefor shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.

(c) Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Unit Owners (and among reduced Units).

Such adjustment to the distribution of shares in the Common Elements, Common Expenses and Common Surplus shall be made by amendment which amendment shall be approved by the record owner of the unit and all record owners of liens on the unit and the record owners of a majority of the other units in the condominium .

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

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(d) Special Assessments. If the balance of the award (after payments to the Unit Owner and such Owner's mortgagees as above provided) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Special Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium affected by the taking. The Special Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares affected pursuant hereto by reason of the taking.

(e) Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within thirty (30) days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Unit Owners, including Owners who will not continue after the taking, in proportion to the applicable percentage shares of such owners as they exist prior to the adjustments to such shares affected pursuant hereto by reason of the taking.

(f) Recreation Area. Any Unit Owner whose Unit is not made habitable shall be responsible for and shall immediately pay the balance of the purchase price for the Recreation Area attributable to his Unit and not covered by the condemnation award. If such Unit Owner continues to make timely payment of all sums otherwise due under the Individual Agreement for Deed (including his proportionate share of maintenance and operational payments), the Unit Owner shall be entitled to continue to use the Recreation Area and to be a member of the Recreation Association referred to in the Individual Agreement for Deed.

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

16.7 Discretion of Board. In circumstances not covered by this Declaration or by law, a two-thirds (2/3) majority of the Board may, upon an opinion of counsel that its decision is reasonable, deal with the condemnation in such reasonable manner as it determines to be appropriate under the circumstances.

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

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

17.1 Occupancy. Each Unit shall be used as a residence only, except as otherwise herein expressly provided. A Unit owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by the following

persons, and such persons' families and guests: (i) the individual Unit Owner, (ii) an officer, director, stockholder or employee of such corporation, (iii) a partner or employee of such partnership, (iv) the fiduciary or beneficiary of such fiduciary, or (v) permitted occupants under an approved lease or sublease of the Unit (as described below), as the case may be.

Occupants of an approved lease or subleased Unit must be the following persons, and such persons' families and guests: (i) an individual lessee or sublessee, (ii) an officer, director, stockholder or employee of a corporate lessee or sublessee, or (iv) a fiduciary or beneficiary of a fiduciary lessee or sublessee.

Under no circumstances may more than one family reside in a Unit at one time. "Families" or words of similar import used herein shall be deemed to include spouses, parents, parents-in-law, brothers and sisters. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two (2) persons per bedroom. The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this Section 17.1 shall not be applicable to Units used by the Developer for model apartments, sales offices, other offices or management services.

17.2 Age of Residents; Services and Facilities. Subject to all local ordinances, as they may be amended from time to time, at least one person over the age of fifty-five (55) years of age must be a permanent occupant of each Unit, whenever any person occupies said Unit. Persons under the age of fifty-five (55) years and more than eighteen (18) years of age may occupy and reside in a Unit as long as at least one of the occupants is over the age of fifty-five (55) years. No person under the age of eighteen (18) may be a permanent occupant of any Unit, except that persons under the age of eighteen (18) may be permitted to visit and temporarily reside for periods not to exceed thirty (30) days in total in any calendar year. Notwithstanding the above, if a Unit is transferred by inheritance, the requirement as to one occupant of said Unit being over the age of fifty-five (55) years is waived as to occupancy by the heirs so long as no permanent occupant is under the age of eighteen (18) years and further so long as at least eighty (80%) percent of all of the Units in the Condominium are occupied by one person over the age of fifty-five (55) years. It shall be the responsibility of the Board of Directors of the Association to determine whether eighty (80%) percent of the Units in the Condominium are occupied by at least one person who is over the age of fifty-five (55) years. Subject to the terms of this Declaration, the Articles of Incorporation and By-Laws of the Association the Board shall have the authority to make any additional capital improvements upon the common properties necessary to provide facilities or services specifically designed to meet the requirements of the Fair Housing Amendments Act of 1988.

Children shall be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium Property and including full compliance by them of these restrictions and all rules and regulations of the Association. All children under fourteen (14) years of age must be accompanied by a responsible adult when entering and/or utilizing the Recreation Area or other commonly used facilities.

17.3 Pets. No animals or pets of any kind shall be allowed in any Unit or the Common Elements. This subsection shall not be amended unless approved by the Board of Directors of a majority of all of the Condominium Associations located at the Community.

17.4 Alterations. Without limiting the generality of Section 9.1 hereof, no Unit Owner shall cause or allow improvements or changes to any Unit, Limited Common Elements appurtenant thereto or Common Elements, including but not limited to, painting or other decorating of any nature, installing any electrical wiring, television antennae, machinery or air-conditioning units or in any manner changing the appearance of any portion of the Building, without obtaining the prior written consent of the Association (in the manner specified in Section 9.1 hereof).

17.5 Use of Common Elements. The Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.

17.6 Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants.

17.7 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover relating to any portion of the Condominium Property, shall be corrected by and at the sole expense of the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth.

17.8 Leases. No portion of a Unit (other than an entire Unit) may be rented. All leases shall be on forms approved by the Association and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Articles and By-Laws of the Association, applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing the Condominium or administered by the Association. Leasing of Units shall also be subject to the prior written approval of the Association and the Association may reject the leasing of any Unit on any grounds the Association elects. No lease shall be approved for a term of less than thirty (30) days. Unit Owners wishing to lease their Units shall be required to place in escrow with the Association a sum to be determined by the Association, but not more than the equivalent of one month's rent, which may be used by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. Any balance remaining in the escrow account, less an administrative charge determined by the Association, but not to exceed $100.00, shall be returned to the Unit Owner within thirty (30) days after the date of Association's notice to Unit Owner of its intention to impose a claim for damages.

17.9 Exterior Improvements; Landscaping. Without limiting the generality of Section 9.1 or Section 17.4 hereof, no Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor to plant or grow any type of shrubbery, flower, tree, vine, grass or other plant life outside his Unit, without the prior written consent of the Association.

17.10 Effect on Developer; Association. With the exception of Sections 17.2, 17.3 and 17.8 hereof, and unless the Rules of the Florida Department of Business Regulation or the Act require otherwise, the restrictions and limitations set forth in this Section 17 shall not apply to the Developer or to Units owned by the Developer. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from the provisions of specific restrictions contained in this Section 17 for good cause shown.

18. Selling, Leasing and Mortgaging of Units. No Unit Owner may sell or lease his Unit except by complying with the following provisions:

18.1 Right of First Refusal. Any Unit Owner who receives a bona fide offer to purchase or lease his Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer" the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice by registered mail to the Board of Directors of the receipt of such Outside Offer. Said Notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Directors may reasonably require. The giving of such notice to the Board of Directors shall constitute an offer by such Unit Owner to sell his Unit or to lease his Unit to the Association or its designee upon the same terms and conditions as contained in such Outside Offer and shall also con-

stitute a Warranty and representation by the Unit Owner who has received such Outside Offer to the Association that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Directors may reasonably request. Not later than twenty (20) days after receipt of such notice, together with such further information as may have been requested, the Association or its designee may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by certified mail, to purchase such Unit or to lease such Unit as the case may be, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. In the event the Association shall timely elect to purchase such Unit or to lease such unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Association, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Association of its election to accept such offer. If, pursuant to such Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Association may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit is to be sold, shall convey the same to the Association, or to its designee, by statutory warranty deed, with all tax and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Title shall be good and marketable and insurable and the Offeree Unit Owner shall deliver an abstract or provide a title binder (and subsequently, title insurance) at its expense at least thirty (30) days prior to such closing. Real estate taxes, mortgage interest, if any, and Common Expenses shall be apportioned between the Offeree Unit and the Association, or its designee, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board of Directors or to its designee, a lease between the Offeree Unit Owner, as landlord, and the Association, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Association or its designee shall fail to accept such offer or, in the case of a lease, shall fail to reject the proposed lease as permitted by Section 17.8 hereof, within twenty (20) days after receipt of notice and all additional information requested, as aforesaid the Offeree Unit Owner shall be free to accept the Outside Offer within sixty (60) days after (i) notice of refusal is given by the Association, or (ii) the expiration of the period in which the Association or its designee might have accepted such offer, as the case may be. In the event the Offeree Unit Owner shall not, within such sixty (60) day period, accept, in writing, the Outside Offer or if the Offeree Unit Owner shall accept the Outside Offer within such sixty (60) day period but such sale or lease, as the case may be, shall not be consummated in accordance with the terms of such Outside Offer or within a reasonable time after the date set for closing thereunder, then, should such Offeree Unit Owner thereafter elect to sell such Unit or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all of the terms and provisions of this Section.

Any deed or lease to an Outside Offeror shall provide (or shall be deemed to provide) that the acceptance thereof by the grantee or tenant shall constitute an assumption of the provisions of the Declaration, the By-Laws, the Articles, applicable rules and regulations and all other agreements, documents or instruments affecting the Condominium Property or administered by the Association, as the same may be amended from time to time.

Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent herewith and with the By-Laws and rules and regulations and shall provide specifically that (i) it may not be modified, amended, extended or assigned without the prior consent in writing of the Board of Directors, (ii) the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board of Directors, and (iii) the Board of Directors shall have the power, but shall not be obligated, to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (a) a default by the tenant in the performance of its obligations to comply with the documents described in the preceding unnumbered paragraph under such lease, or (b) a foreclosure of the lien

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granted under the Act. Such lease shall also comply with the provisions of Section 17.8 hereof.

Except as hereinbefore set forth, the form of any such lease executed by the Association or an Outside Offeror shall contain such other modifications as shall be approved in writing by the Board of Directors. Any lease executed by the Association as tenant shall provide that the Association may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Unit in violation of this Section shall be voidable at any time at the election of the Association and if the Board of Directors shall be so elect, the Unit Owner shall be deemed to have authorized and empowered the Association to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Association for all expenses (including attorney's fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions shall not apply to Units owned by or leased to any Institutional First Mortgagee acquiring title by foreclosure or by a deed in lieu of foreclosure. Institutional First Mortgagees shall have the right to sell, lease or sublease Units they own or lease without having to first offer the same for sale or lease to the Association.

18.2 Consent of Unit Owners to Purchase or Lease of Units by the Association. The Association shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of Owners of a majority of the voting interests present in person or by proxy and voting at a meeting at which a quorum has been obtained.

18.3 No Severance of Ownership. Except as elsewhere herein provided, no part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of the Unit to which such interest is appurtenant, and any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements.

18.4 Release by the Association of the Right of First Refusal. The right of first refusal contained in Section 18.1 may be released or waived by the Association only in the manner provided in Section 18.5. In the event the Association shall release or waive the right of first refusal as to any Unit, such Unit may be sold, conveyed or leased free and clear of the provisions of said Section 18.1.

18.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by an officer of the Association stating that the provisions of Section 18.1 have been satisfied by a Unit Owner, or stating that the right of first refusal contained therein has been duly released or waived by the Association and that, as a result thereof, the rights of the Association thereunder have terminated. The certificate shall be conclusive with respect to all persons who rely on such certificate in good faith. The Board of Directors shall furnish such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated or been waived.

18.6 Financing of Purchase of Units by the Association. The purchase of any Unit by the Association shall be made on behalf of all Unit Owners. If the available funds of the Association are insufficient to effectuate any such purchase, the Board of Directors may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner), in proportion to his share of the Common Expenses, and/or the Board of Directors may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property other than the Unit to be purchased.

18.7 Exceptions. The provisions of Section 18.1 shall not apply with respect to any lease, sale or conveyance of any Unit by (a) the Unit Owner thereof to his spouse, children, parents, parents-in-law, siblings or a trustee, corporation or other entity where the Unit Owner or the aforementioned related persons are and continue to be the sole beneficiary or equity owner of such trustee, corporation or other entity, or to any one or more of the above, (b) the Association, (c) any proper officer conducting the sale of a Unit in

connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of foreclosure, or (d) an Institutional First Mortgagee (or its designee) deriving title by virtue of foreclosure of its mortgage or acceptance of a deed in lieu of foreclosure; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Section 18.

18.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will, or to have his Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by and his Unit subject to, the provisions of this Section 18 and Section 17.2.

18.9 Mortgage of Units. Each Unit Owner shall have the right to mortgage his Unit without restriction.

18.10 Transfer Fees. The Association may, at its option, charge a transfer fee in connection with the furnishing of a certificate in accordance with Section 18.5 for the sale, lease or sublease of a Unit in connection with the Association's right of first refusal provided for in this Section 18; provided, however, if the lease or sublease is a renewal (or if a lease or sublease is with the same lessee or sublessee) no charge shall be made. The transfer fee may be preset by the Association but in no event shall it exceed the maximum amount allowed under the Act.

19. Compliance and Default. Each Unit Owner and every occupant of a Unit and the Association shall be governed by and shall comply with the terms of this Declaration and all Exhibits annexed hereto, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:

19.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent such expense is not met by the proceeds of insurance actually collected in respect of such negligence by the Association.

19.2 Compliance. In the event a Unit Owner or occupant fails to maintain a Unit or fails to cause such Unit to be maintained, or fails to observe and perform all of the provisions of this Declaration, the By-Laws, the Articles, applicable rules and regulations or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to impose any applicable fines, in accordance with the rules and regulations and to sue in a court of law for damages.

In addition, the Association has the irrevocable right of access to each Unit during reasonable hours, when necessary for the maintenance, repair or replacement of any Common Elements or for making emergency repairs which are necessary to prevent damage to the Common Elements or to another Unit or Units.

19.3 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the requirements of the Act, this Declaration, the exhibits annexed hereto or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonably attorneys' fees (including appellate attorneys' fees) as may be awarded by the court.

19.4 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provisions of the Act, this Declaration and the exhibits annexed hereto, or the rules and regulations adopted pursuant to said documents, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.

20. Merger of Condominium. The Condominium may be merged with one or more condominiums within the Community to form a single condominium upon (i) the approval of such voting interests of each condominium as is required by the dec-

laration for modifying the appurtenances to the Units or changing the proportion or percentages by which the owners of the Condominium Parcel share the Common Expenses and own the Common Surplus, (ii) the approval of all of the Institutional First Mortgagees and of all record owners of liens and (iii) upon the recording of new or amended Articles of Incorporation, Declaration(s) of Condominium and By-Laws.

21. Termination of Condominium. The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of Owners owning at least eighty (80%) percent of the applicable interests in the Common Elements (after twenty (20%) percent of the Units have been sold to Unit Owners other than the Developer, the Developer will not vote the Units owned by it for such withdrawal unless the Owners of at least eighty (80%) percent of all other applicable interests in the Common Elements so elect for such withdrawal, at which time Developer may choose to vote either in favor of or against withdrawal from Condominium ownership, as it sees fit), and by the Primary Institutional First Mortgagee. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for partition by any Unit Owner, mortgagee or lienor as if owned in common in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective interest in the Common Elements, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all mortgages and liens of his Unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the Public Records of the County. This section may not be amended without the consent of all Institutional First Mortgagees. In the event the Condominium is to be terminated, the undivided interest held by the Association in and to the Recreation Area shall be deeded to the then existing record owners of legal title to the Recreation Area, as their respective interests may appear, for and in consideration only of the prior use and enjoyment of the Recreation Area by the Unit Owners and the sum of Ten Dollars ($10.00). The conveyance shall be made by quit-claim deed executed by the President and Secretary of the Association in recordable form and it shall be recorded in the public records of the County, prior to the certificate of termination.

22. Additional Rights of Institutional First Mortgagees. In addition to all other rights herein set forth, Institutional First Mortgagees shall have the right, upon written request to the Association, to:

22.1 Examine the Association's books and records; and require copies of the annual reports and other financial data;

22.2 Receive notice of Association meetings and attend such meetings;

22.3 Receive notice of an alleged default by any Unit Owner, for whom such Institutional First Mortgagee holds a mortgage, which is not cured within thirty (30) days of notice of default to such Unit Owner; and

22.4 Receive notice of any substantial damage or loss to any portion of the Condominium Property.

23. Reservation of Right to Own, Install, Provide and Maintain a Closed Circuit Television System, Telecommunications System, a Master Antennae System and Community Antennae Television System (CATV Service).

23.1 Developer reserves and retains to itself, its successors and assigns: (i) the title to any closed circuit television system, telecommunications system, master antennae system, and related ancillary services and to the equipment including but not limited to conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment both active and passive (the "Central System") in and upon the Condominium Property and an easement for 99 years for the placement and location of the Central System including, but not limited to conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment, both active and passive, and (ii) an easement for 99 years for ingress to and egress from the Condominium Property to service, maintain, install, repair and replace the aforesaid apparatus and equipment; and (iii) the right to connect the Central System to

such receiving source as Developer may in its sole discretion deems appropriate, including, without limitation, companies licensed to provide the CATV Service in the County, for which service Developer, its successors and assigns or designees shall have the right to charge the Association and/or individual Unit Owners a reasonable fee not to exceed the maximum allowable charge for CATV Service to single family residences as charged within the general vicinity.

23.2 The Unit Owners acknowledge that the Central System described in Section 23.1 above, includes but is not limited to the CATV Service as well as the ancillary services which may include security; medical, smoke and fire alert; information retrieval and so forth. Such Central System is offered as part of Developer's endeavor to provide a total environment to the Unit Owners and enhance the "way-of-life" at the Community.

23.3 Each Unit Owner by the acceptance of a warranty deed to his Unit recognizes that Developer, for the use and convenience of the Unit Owners, has expended substantial sums of money to develop and insure the services for and to equip this Condominium with a quality Central System and in consideration thereof Developer has reserved and retained the ownership of the Central System and the right to charge a reasonable sum to the Association and/or the Unit Owners for its use. If the Association and/or Master Association, at any time, enters into a contract with a company without the Developer's prior written consent or otherwise provides for any or all of the services contemplated by the Central System to the Building, the Association shall, at the option of the Developer, to the extent allowed by law, be required to purchase that part of the Central System that is located within the Units (which does not include such portions of the Central System located on or within the Common Elements) and all such other equipment, electronic (active and passive) or otherwise shall remain the property of the Developer) at a purchase price equal to Five Hundred Dollars ($500.00) for each Unit in the Condominium. The Association shall purchase that part of the Central System within fifteen (15) days after Developer's written request to do so. If the Association does not purchase that part of the Central System as aforesaid, Developer may file a lien against any or all of the Units in the amount of the aforesaid purchase price. If a lien is filed, Developer will release each Unit from the lien upon the payment of Five Hundred Dollars ($500.00) per Unit plus interest at the highest rate allowable by law, together with a pro rata share of the court costs, if any, and attorney's fees and appellate attorneys' fees and this covenant shall be a covenant running with the Land.

24. Developer's Additional Rights.

(a) Water and Sewer Service. In order to insure the Condominium and the Community with adequate uniform water service and sewage disposal service, the Developer or its designee, prior to completion and sale of the last condominium Unit (or residential dwelling Unit other than a condominium Unit) to be located at the Community, and the Recreation Area Management Firm thereafter, shall have and hereby reserve the exclusive right to contract for the servicing of this Condominium and the Unit Owners therein, and the Community with said services.

(b) Transportation System. On December 31, 1999, or completion and sale of the last condominium unit (or residential dwelling unit other than a condominium unit) to be located at the Community, whichever shall first occur, the Developer or its designee shall have the right in its sole discretion to provide, without being obligated to do so, a transportation system for all portions of the Community. The initial cost of setting up such system shall be paid for by the Developer, but all costs of maintaining, operating, replacing and enlarging such system thereafter shall be paid for by the Association and all other condominium associations located at the Community on a pro rata basis.

All sums due from the Association on account of the transportation system shall be deemed Common Expenses, and the Developer or its designee prior to completion and sale of the last condominium Unit (or residential dwelling Unit other than a condominium Unit) to be located at the Community, and thereafter the Recreation Area Management Firm, shall have a lien of the Condominium Property, including all of the Units of the Condominium, to secure same, which lien may be foreclosed in the same manner as mortgages

or statutory liens under Florida law, including reasonable attorneys' fees and appellate attorneys' fees.

(c) Gate Houses. On December 31, 1999, or completion and sale of the last condominium Unit to be located at the Community, whichever shall first occur, the Developer shall have the right, without being obligated to do so, in its sole discretion and at its sole cost, to cause gate houses to be constructed (which may require the employment of security guards to man same) and other security devices within the Community. All such gate houses and/or security devices shall only be constructed on dedicated rights-of-way or in easement areas for pedestrian and vehicular traffic. All costs of maintenance and operation of such gate houses or security devices (including, without limitation, ad valorem taxes, insurance and security guards) shall be paid by the Association (and other condominium associations) at the Community on a pro rata basis, where applicable. All sums due from the Association on account of the gate houses and/or other security devices shall be deemed Common Expenses of the Condominium and the Developer or its designee prior to completion and sale of the last Condominium Unit to be located at the Community, and thereafter the Recreation Area Management Firm, shall have a lien on the Condominium Property including all of the Units of the Condominium, to secure same, which lien may be foreclosed in the same manner as mortgages or statutory liens under Florida law, and the lien shall include all costs of collection, including reasonable attorneys' fees and appellate attorneys' fees. The Developer and thereafter the Recreation Area Management Firm shall also determine the number of security guards or other individuals needed and shall determine their hours and wages.

(d) Other Common Facilities. In addition, the Association together with other condominium associations (and/or homeowners associations, if any,) at the Community, shall pay on a pro rata basis, all costs of maintenance, operation and replacement of such other systems or facilities installed by the Developer at the Community from time to time which are designed for the common use of all residents of the Community, including without limitation, all roadways, waterways and lakes. All sums due from the Association on account of such other common systems or facilities shall be deemed Common Expenses and the Developer or its designee prior to completion and sale of the last condominium Unit (or residential dwelling Unit other than a condominium unit) to be located at the Community, and thereafter the Recreation Area Management Firm, shall have a lien on the Condominium Property, including all of the Units of the Condominium, to secure same, which lien may be foreclosed in the same manner as mortgages or statutory liens under Florida law, and the lien shall include all costs of collection, including reasonable attorneys' fees and appellate attorneys' fees.

25. Covenant Running With The Land. All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Developer and subsequent owner(s) of the Land or any part thereof, or interest therein, and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units, shall be subject to and shall comply with the provisions of this Declaration and such Articles, By-Laws and applicable rules and regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration and the Articles, By-Laws and applicable rules and regulations of the Association, as they may be amended from time to time by such Unit Owner, tenant or occupant.

26. Additional Provisions.

26.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail (return receipt requested) to the Association care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have

been designated by him from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association. All notices shall be deemed to have been given when mailed in a postage-prepaid, sealed wrapper, except notice of a change of address, which shall be deemed to have been given when received, or five (5) business days after proper mailing, whichever shall first occur.

26.2 Interpretation. The Board of Directors of the Association shall be responsible for interpreting the provisions hereof and of any of the Exhibits attached hereto. Such interpretation shall be binding upon al parties unless wholly unreasonable. An opinion of counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

26.3 Mortgagees. The Association shall not be responsible to any mortgagee or lienor of any Unit hereunder and may assume the Unit is free of any such mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.

26.4 Exhibits. There is hereby incorporated in this Declaration any materials contained in the Exhibits annexed hereto which under the Act are required to be part of the Declaration.

26.5 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a Vice-President may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an Assistant Secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

26.6 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or applicable Rules and Regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

26.7 Litigation. No juducial or administrative proceeding shall be commenced or prosecuted by the Association in its own name and/or on behalf of th Unit Owners unless same is approved by a vote of seventy-five percent (75%) of the Voting Interests of all of the Unit Owners. This Section shall not apply, however, to (i) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (ii) proceedings, or (iii) counterclaims brought by the Association in proceedings instituted against it. Notwithstanding the provisions of Section 6 of this Declaration, this Section shall not be amended unless such amendment is approved by the percentage of votes necessary to institute proceedings as provided above.

26.8 Construction Litigation. All Units and their appurtenant Common Elements have been or will be sold without any Developer's warranties whatsoever except as provided in the Act (to the extent such warranties are not effectively disclaimed and remain in effect, if at all). As to such warranties, if any, and as to any claim arising from or connected with the design or construction of any Unit(s) or the common Elements including, without limitation, claims alleging negligent construction, failure to building in accordance with any particular plans or specifications or failure to comply with building or other codes, laws, ordinances or regulations (collectively, "Construction Matrs"), it shall be a material condition precedent to the institution of any proceeding regarding Construction Matters that (i) the party or parties bringing same shall have first given notice to the Developer or other party against whom which relief or recovery is sought (the "Defendant") of the specific Construction Matters complained of and what actions are necessary to cure or correct same, and (ikl) the Defendant shall have given at least forty-five (45) days (subject to extension by reason of matters beyond the control of the Defendant or because of the nature of the applicable Construction Matter(s) and the time nsfcessary to cure or correct same) in which to cure or correct the applicable Construction Matter(s) and shall have materially failed to do so. If any Construction Matter is not cured or

corrected as aforesaid, all applicable parties shall be bound to submit the disputes or claims regarding the Construction Matters at issue solely to binding arbitration in accordance with tFlorida Arbitration Code and the rules of the American Arbitration Association and the parties and their successors and assigns shall be bound by the refsults of such arbitration. Without limitign the general binding effect of this Declaration, each Owner and other person acquirign any right, title or interest in or to any Unit shall be deemed, by virtue of the accpetance of the conveyance, grant, transfer or assignment thereof, to be fully bound by the provision sof this Section 26.8 and of Section 26.7 above, as shall the Association.

26.9 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the Exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

26.10 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.

26.11 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and applicable rules and regulations, are fair and reasonable in all material respects.

26.12 Execution of Documents; Attorney-in-Fact. Without limiting the generality of other Sections of this Declaration and without such other Sections limiting the generality hereof, if the County or any other governmental agency requires the approval of the Unit Owners to complete the plan of Development of the Community (of which the Condominium is a part), as hereafter amended and each such Owner, by reason of the acceptance of a deed to such Unit Owner's Unit, hereby appoints the Developer as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of such Owners, any and all of such documents or consents that may be required from time to time by the County or other governmental agency. This power of attorney is irrevocable and coupled with an interest. The provisions of this Section may not be amended without the consent of the Developer.

26.13 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

26.14 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

Unofficial Document

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed and its corporate seal to be hereunto affixed this 18th day of August, 1995.

Signed, sealed and delivered
in the presence of:

Janet S English
Name: JANET S. ENGLISH

Sandra G Conwell
Name: SANDRA G. CONWELL

LENNAR HOMES, INC.

By: M. E. Saleda
M. E. Saleda, Vice President

Attest: M. J. Watsky
Morris J. Watsky
Assistant Secretary

SEAL FLORIDA

ACKNOWLEDGEMENT

STATE OF FLORIDA)
COUNTY OF DADE)

The foregoing Declaration of Condominium was acknowledged before me this 18th day of August, 19 95, by M. E. Saleda and Morris J. Watsky, as Vice President and Assistant Secretary, respectively, of Lennar Homes, Inc., a Florida corporation, on behalf of said corporation. They are personally known to me and did not take an oath.

Janet S English
Notary Public, State of Florida

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
OFFICIAL NOTARY SEAL
JANET S ENGLISH
COMMISSION NUMBER
CC215052
MY COMMISSION EXP.
AUG. 19,1998

Is not a certified copy

CONSENT

Ashland Condominium A Association, Inc., a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of the Declaration of Condominium and Exhibits attached thereto.

IN WITNESS WHEREOF, it has caused this Consent to be executed this 22nd day of August, 19 95.

Signed, sealed and delivered in the presence of:

Laura Vanderveldt
Name: Laura Vanderveldt

Rebecca Harper
Name: Rebecca Harper

ASHLAND CONDOMINIUM A ASSOCIATION, INC.

BY: Tammy McDonald
Tammy McDonald, President

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing Consent was acknowledged before me this _____ day of August, 19 95 by Tammy McDonald as President of Ashland Condominium A Association, Inc., a Florida corporation not for profit, on behalf of said corporation. She is personally known to me and did not take an oath.

Sandi M. Cooper
Notary Public, State of Florida
Sandi M. Cooper

My Commission Expires:

OFFICIAL NOTARY SEAL
SANDI M COOPER
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC140836
MY COMMISSION EXP. SEPT 3,1995

Exhibit A Certified Copy

LAKES OF DELRAY

ASHLAND "A"

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LEGAL DESCRIPTION

BUILDING TRACT NO. 1 OF THE PLAT ENTITLED "PLAT NO. ONE - LAKES OF DELRAY" AS RECORDED IN PLAT BOOK 42 AT PAGES 46 & 47 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

EXHIBIT "1" TO DECLARATION

JOB NO. 870409	DWG. BY: JP	SCALE: NONE	CONDO DOCS ASH "A"
FILE NO. LAKES OF DELRAY	CK'D. BY:	DATE: 11-10-93	SHEET 2 OF 9 SHEETS

Allocation of Percentage Shares of Common Elements, Common Expenses and Common Surplus

Each Unit shall have as an appurtenance thereto the percentage share of the Common Elements, Common Expenses and Common Surplus set forth opposite such Unit below:

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ASHLAND CONDOMINIUM A

UNIT	PERCENTAGE SHARE
1	1/34
2	1/34
3	1/34
4	1/34
5	1/34
6	1/34
7	1/34
8	1/34
9	1/34
10	1/34
11	1/34
12	1/34
13	1/34
14	1/34
15	1/34
16	1/34
17	1/34
18	1/34
19	1/34
20	1/34
21	1/34
22	1/34
23	1/34
24	1/34
25	1/34
26	1/34
27	1/34
28	1/34
29	1/34
30	1/34
31	1/34
32	1/34
33	1/34
34	1/34

EXHIBIT "2" TO DECLARATION

LAKES OF DELRAY

ASHLAND "A"

This is a Certified Copy

SURVEYOR'S CERTIFICATE

THE UNDERSIGNED SURVEYING FIRM CERTIFIES THAT THE CONSTRUCTION OF THE IMPROVEMENTS TO COMPRISE ASHLAND "A" AT LAKES OF DELRAY SUBSTANTIALLY COMPLETE SO THAT THE MATERIALS WHICH COMPRISE THE EXHIBIT 3 TO THE DECLARATION OF CONDOMINIUM OF ASHLAND "A" AT LAKES OF DELRAY TOGETHER WITH THE PROVISIONS OF SAID DECLARATION OF CONDOMINIUM DESCRIBING THE CONDOMINIUM PROPERTY, ARE AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF SAID IMPROVEMENTS, OF THE COMMON ELEMENTS WITHIN THE CONDOMINIUM, AND OF EACH UNIT WITHIN THE CONDOMINIUM, CAN BE DETERMINED FROM SAID MATERIALS.

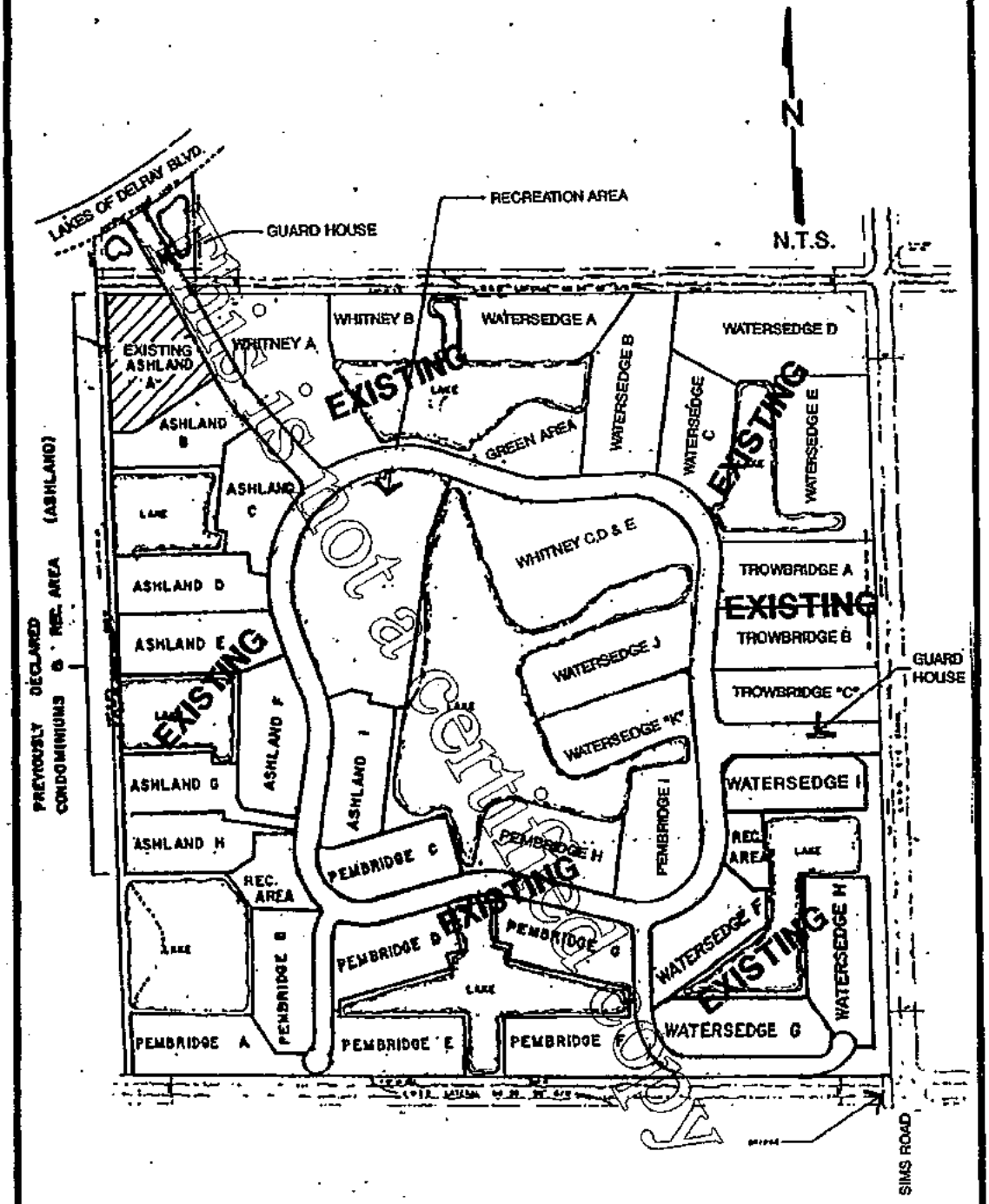
CARNAHAN-PROCTOR & ASSOCIATES, INC.

STEVEN A. BERG
REGISTERED LAND SURVEYOR NO. 4886
STATE OF FLORIDA

SURVEYOR'S NOTES:

THESE PLANS ARE COMPILED FROM PLANS AND DATA FURNISHED BY LENNAR HOMES, INC., SUPPLEMENTED BY SUCH FIELD SURVEY AND MEASUREMENTS AS DEEMED NECESSARY BY CARNAHAN-PROCTOR & ASSOCIATES, INC.

EXHIBIT "3" TO DECLARATION



SHADED AREA TO CONTAIN A MAXIMUM OF 34 UNITS

THE LAKES OF DELRAY

NOTE : ALL IMPROVEMENTS SHOWN ARE EXISTING.

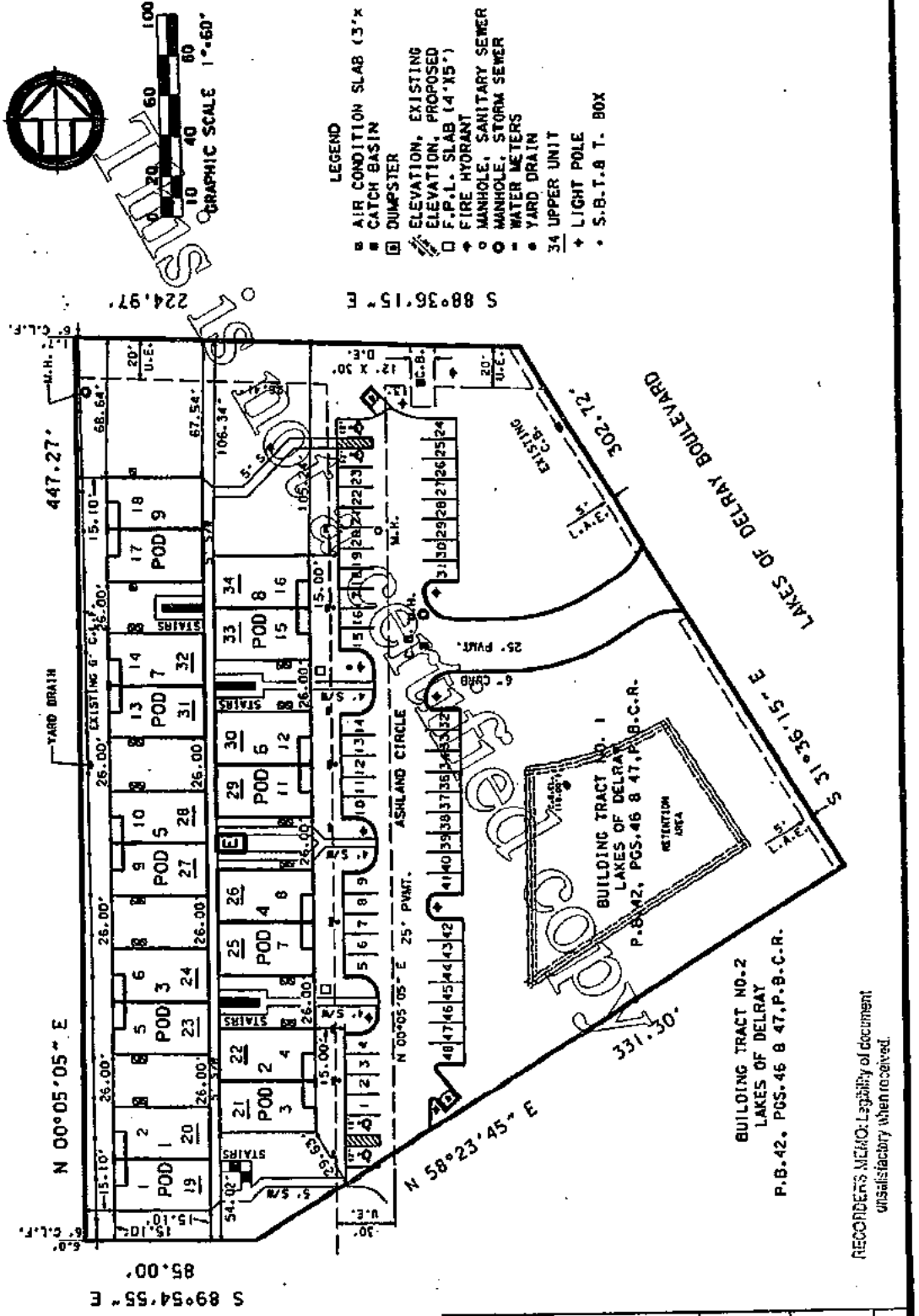
EXHIBIT "3" TO DECLARATION

JOB NO. 870009	DWG. BY: JP	SCALE: NONE	CONDO DOCS ASH "A"
FILE NO. LAKES OF DELRAY	CK'D. BY:	DATE: 11-10-93	SHEET 3 OF 9 SHEETS

RECORDER'S MEMO: Legibility of document unsatisfactory when received.

LAKES OF DELRAY
ASHLAND "A"

OR 8895 Pg 292



RECORDERS MEMO: Legibility of document unsatisfactory when received.

EXHIBIT "3" TO DECLARATION

REVISIONS	DATE	BY	CH'D
FINAL CONDO-DOCS	8-19-95	JP	
REV. PREL. CONDO-DOCS W.M.'S & C.B. MOVED	2-28-94	JP	
PRELIMINARY CONDO-DOCS	11-10-93	JP	

JOB NO. 870609	DWG. BY: JP	SCALE: 1"=60	CONDO DOCS ASH "A"
FILE NO. LAKES OF DELRAY	CK'D. BY:	DATE: 11-10-93	SHEET 4 OF 9 SHEETS

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NOTES:

1) THIS PLAN COMPILED FROM PLANS AND DATA FURNISHED BY LENNAR HOMES, INC., SUPPLEMENTED BY SUCH FIELD SURVEY AND MEASUREMENTS AS DEEMED NECESSARY BY CARNAHAN - PROCTOR & ASSOCIATES, INC.

2) REPRODUCTIONS OF THIS SKETCH ARE NOT VALID UNLESS SEALED WITH AN EMBOSSED SURVEYOR'S SEAL.

3) LEGAL DESCRIPTION ATTACHED HERETO IS IN ACCORDANCE WITH THE INSTRUMENTS OF RECORD.

4) BUILDING TIES ARE 90° OR RADIAL TO THE PROPERTY LINE.

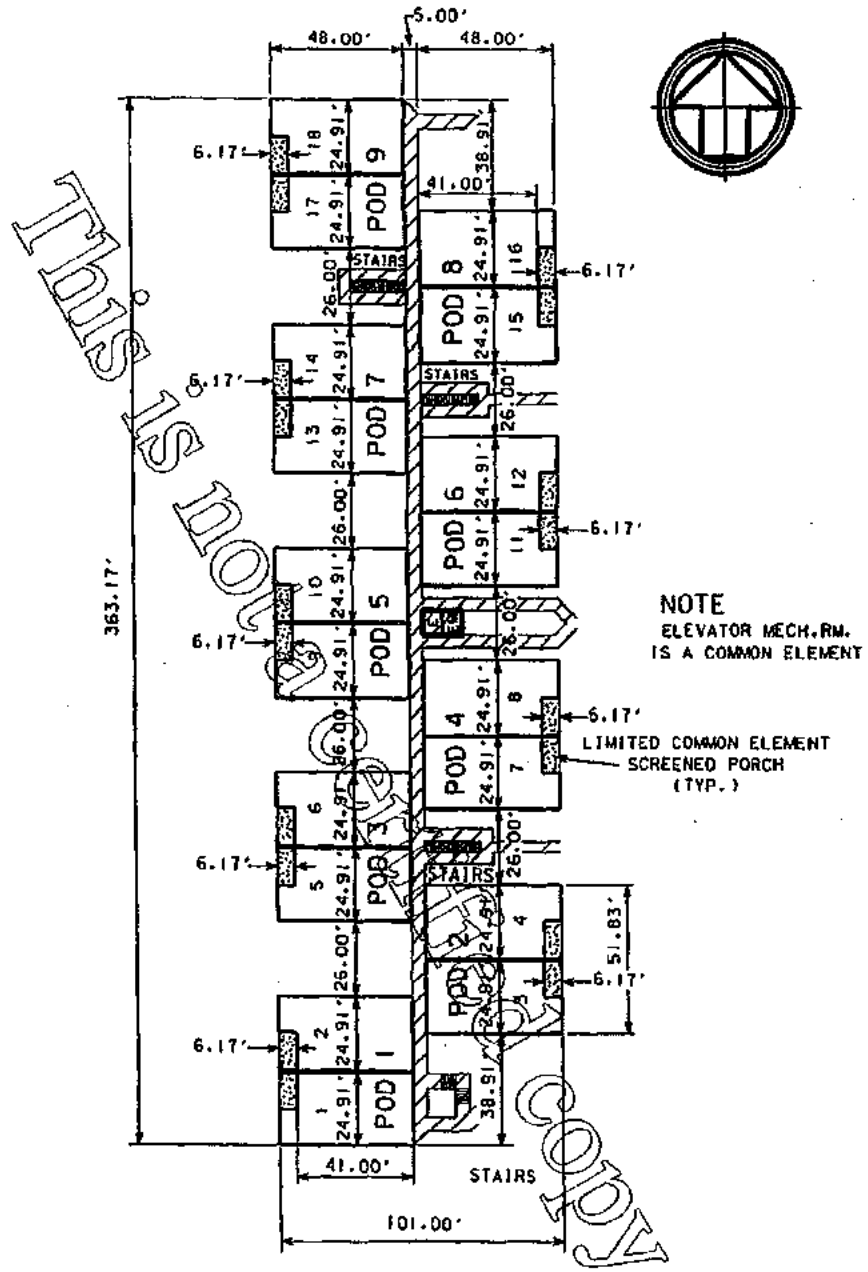
5) THE AUTOMOBILE PARKING SPACES ARE ASSIGNED SO AS TO PROVIDE ONE PARKING SPACE FOR EACH UNIT.

6) THE REMAINING AUTOMOBILE PARKING SPACES SHALL BE FOR THE USE OF UNIT OWNERS, THEIR TENANTS, GUEST AND INVITEES.

EXHIBIT "3" TO DECLARATION

JOB NO. B10109	DWG. BY: JP	SCALE: NONE	LOWDO DOCS ASH "A"
FILE NO. LAKES OF DELRAY	CK'D. BY:	DATE: 11-10-93	SHEET 5 OF 9 SHEETS

ORB 8895 Ps 294



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UPPER & LOWER BOUNDARY OF THE UNITS

THE FIRST FLOOR CONTAINS 18 UNITS HAVING THE FOLLOWING ELEVATIONS

UPPER LIMIT OF UNITS 30.00' N.G.V.D.
LOWER LIMITS OF UNITS 22.00' N.G.V.D.
SUBJECT TO VARIATIONS OF 0.1' FOR EACH INDIVIDUAL UNITS

ALL BALCONIES OR PATIOS INCLUDING LAUNDRY ROOMS ARE LIMITED COMMON ELEMENTS AND SHOWN THUS

ALL CORRIDORS AND STAIRS ARE COMMON ELEMENTS AND SHOWN THUS

ALL ELEVATIONS REFER TO N.O.A.A.,N.G.S. - PALM BEACH COUNTY (FREE ADJ.) 1972

THE LAKES OF DELRAY
FIRST FLOOR PLAN
ASHLAND "A"

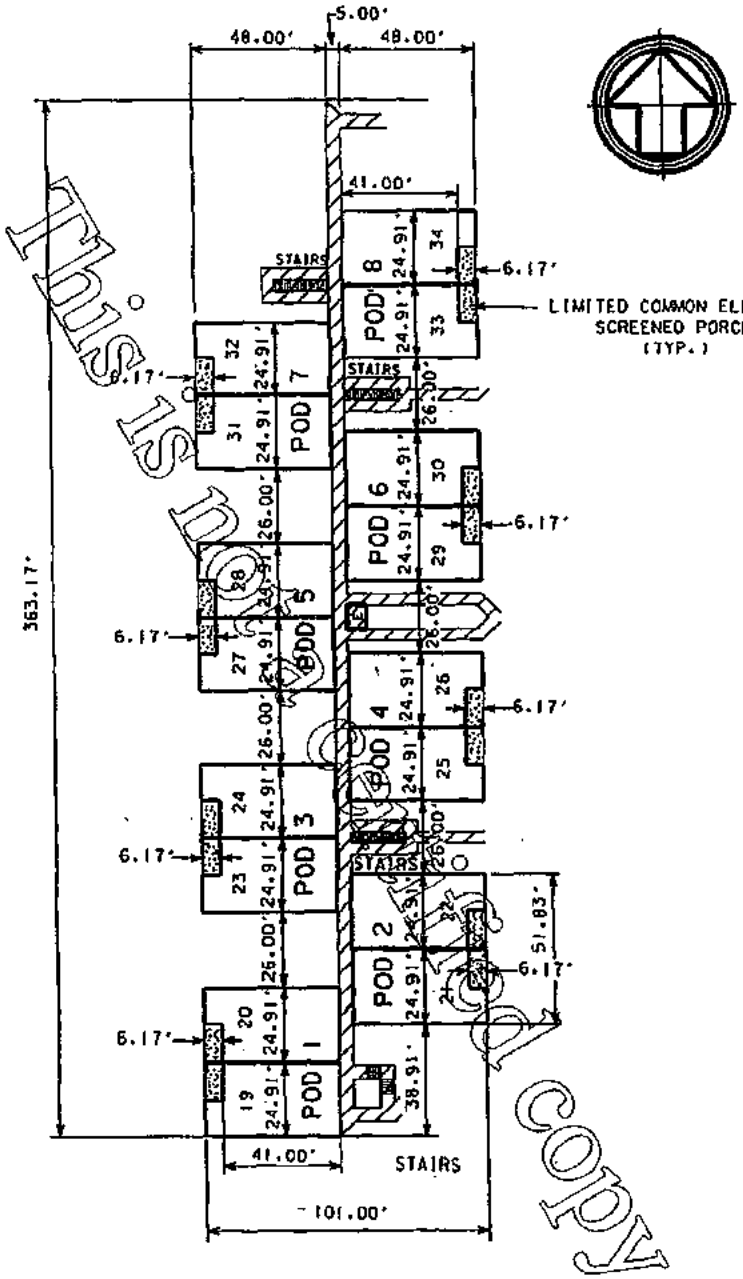
EXHIBIT "3" TO DECLARATION

RECORDER'S MEMO: Legibility of document unsatisfactory when received.

1) FINAL CONDO-DOCS 8-19-95 JP

JOB NO. 870809	DWG. BY: JP	SCALE: 1"=50'	CONDO DOCS ASH "A"
FILE NO. LAKES OF DELRAY	CK'D. BY:	DATE: 11-10-93	SHEET 10 OF 9 SHEETS

ORB 8875 Pg 295



This is a Recorded Copy

RECORDER'S MEMO: Legibility of document unsatisfactory when received.

UPPER & LOWER BOUNDARY OF THE UNITS

THE SECOND FLOOR CONTAINS 16 UNITS HAVING THE FOLLOWING ELEVATIONS

UPPER LIMIT OF UNITS 38.50' N.G.V.D.
LOWER LIMITS OF UNITS 30.50' N.G.V.D.
SUBJECT TO VARIATIONS OF 0.1' FOR EACH INDIVIDUAL UNITS

ALL BALCONIES OR PATIOS INCLUDING LAUNDRY ROOMS ARE LIMITED COMMON ELEMENTS AND SHOWN THUS

ALL CORRIDORS AND STAIRS ARE COMMON ELEMENTS AND SHOWN THUS

ALL ELEVATIONS REFER TO N.O.A.A.,N.G.S. - PALM BEACH COUNTY (FREE ADJ.) 1972

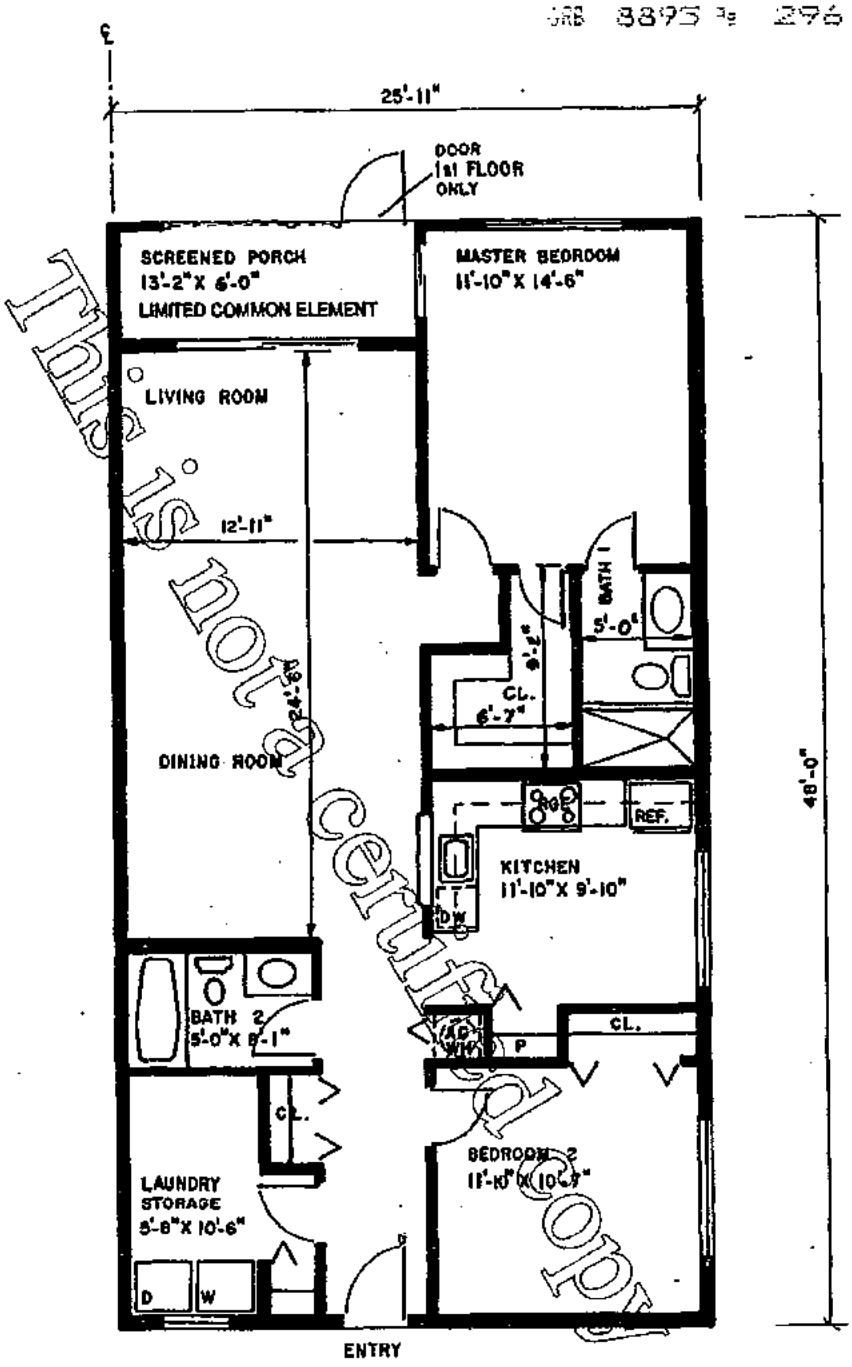
THE LAKES OF DELRAY
SECOND FLOOR PLAN
ASHLAND "A"

EXHIBIT "3" TO DECLARATION

1) FINAL CONDO-DOCS 8-18-95 JP

JOB NO. B70009	DWG. BY: JP	SCALE: 1"=50'	CONDO DOCS ASH "A"
FILE NO. LAKES OF DELRAY	CK'D. BY:	DATE: 11-10-93	SHEET 7 OF 9 SHEETS

ORB 3895 Pg 296



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NOTE:
ALL DIMENSIONS ARE APPROXIMATE

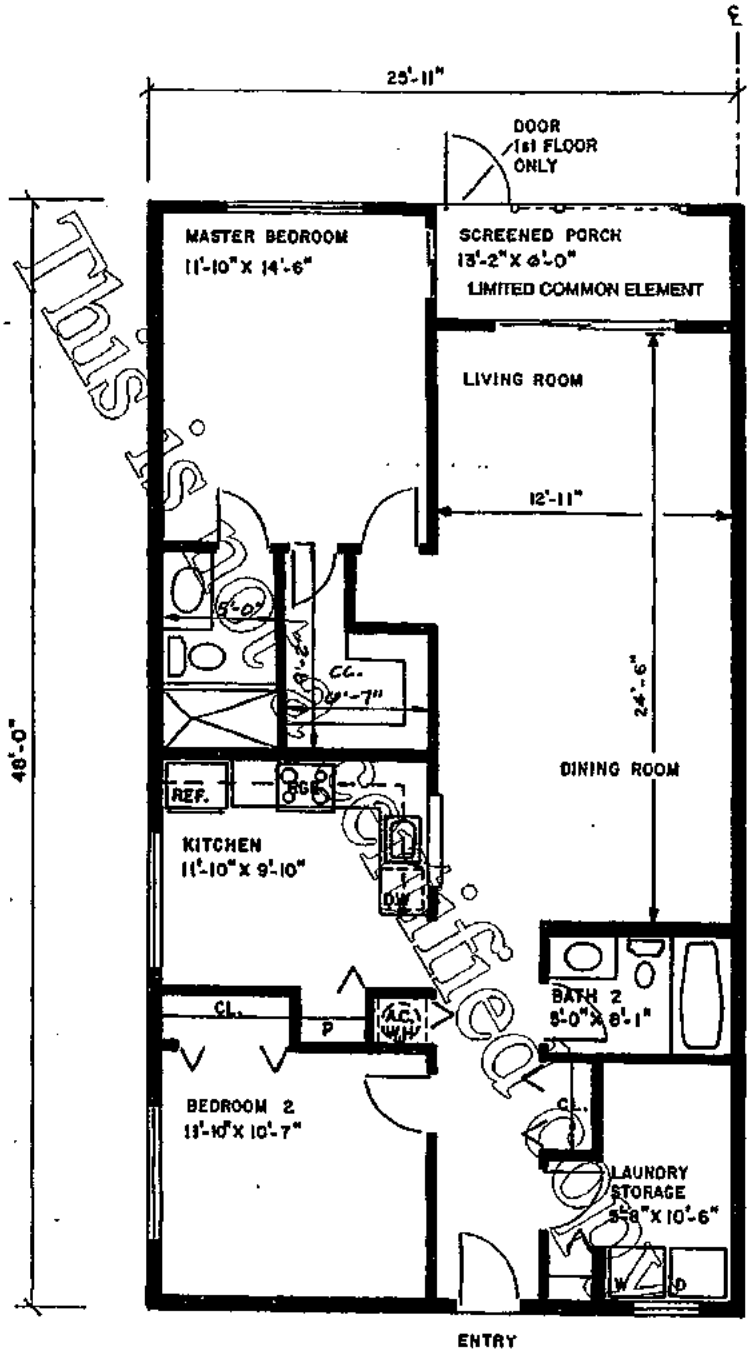
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STANDARD FLOOR PLAN

THE LAKES OF DELRAY

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NOTE:
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2 BEDROOM – 2 BATH

REVERSE FLOOR PLAN

THE LAKES OF DELRAY

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JOB NO. 870009	DWG. BY: JF	SCALE: NONE	10H00-DOCS #SH "A"
FILE NO. LAKES OF DELRAY	CK'D. BY:	DATE: 11-10-93	SHEET 9 OF 9 SHEETS

State of Florida

Department of State

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I certify the attached is a true and correct copy of the Articles of Incorporation of ASHLAND CONDOMINIUM A ASSOCIATION, INC., a Florida corporation, filed on September 7, 1993, as shown by the records of this office.

The document number of this corporation is N93000004035.

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the Seventh day of September, 1993

GREAT SEAL OF THE STATE OF FLORIDA · IN GOD WE TRUST ·

CR2EO22 (2-91)

Jim Smith
Secretary of State

EXHIBIT "4" TO DECLARATION

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION

FOR

ASHLAND CONDOMINIUM A ASSOCIATION, INC.

The undersigned, for the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, does hereby adopt the following articles of incorporation.

ARTICLE I

NAME

The name of the corporation shall be Ashland Condominium A Association, Inc. For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles" and the By-Laws of the Association as the "By-Laws".

ARTICLE II

PRINCIPAL OFFICE AND MAILING ADDRESS

The principal office and mailing address of the Association is: 700 N. W. 107 Avenue, Miami, Florida 33172.

ARTICLE III

PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act") for the operation of that certain condominium located in Palm Beach County, Florida, and known as Ashland Condominium A (the "Condominium").

ARTICLE IV

DEFINITIONS

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

ARTICLE V

POWERS

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

5.1 General. The Association shall have all of the common law and statutory powers of a corporation not for profit under the laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, the By-Laws or the Act.

5.2 Enumeration: The Association shall have all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as more particularly described in the By-Laws, as they may be amended from time to time, including, but not limited to, the following:

(a) To make and collect Assessments, Special Assessments and other charges against members as Unit Owners, and to use the proceeds thereof in the exercise of its powers and duties.

(b) To buy, own, operate, lease, sell, trade and mortgage both real and personal property as may be necessary or convenient in the administration of the Condominium.

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(c) To maintain, repair, replace, reconstruct, add to and operate the Condominium Property, and other property acquired or leased by the Association for use by Unit Owners.

(d) To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and members as Unit Owners.

(e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and for the health, comfort, safety and welfare of the Unit Owners.

(f) To approve or disapprove the leasing, transfer, mortgaging, ownership and possession of Units as may be provided by the Declaration.

(g) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property.

(h) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, Special Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Act, including but not limited to the making of Assessments, Special Assessments, promulgation of rules and the execution of contracts on behalf of the Association.

(i) To employ personnel to perform the services required for the proper operation of the Condominium.

(j) To become a Member of the Master Association and to elect one delegate as a representative of the Association to represent the Association in the Master Association. To delegate to the Master Association the duty and responsibility to maintain and preserve the Recreation Area.

5.3 Condominium Property. All funds and the titles of all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles and the By-Laws.

5.4 Distribution of Income; Dissolution. The Association shall make no distribution of income to its members, directors or officers. Upon dissolution all assets of the Association shall be transferred to another corporation not for profit or a public agency.

5.5 Limitation: The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act.

ARTICLE VI

MEMBERS

6.1 Membership: The members of the Association shall consist of all of the record owners of Units in the Condominium from time to time, and after termination of the Condominium shall consist of those who were members at the time of such termination, and their successors and assigns.

6.2 Assignment: The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.

6.3 Voting: On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or

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entity owning more than one Unit shall be entitled to one vote for each Unit owned.

6.4 Meetings: The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meeting of members other than the annual meeting.

ARTICLE VII

TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE VIII

INCORPORATOR

The name and address of the incorporator to these Articles is:

NAME	ADDRESS
MORRIS J. WATSKY	700 N.W. 107th Avenue Miami, Florida 33172

ARTICLE IX

OFFICERS

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

PRESIDENT:	TAMMY A. MCDONALD 1903 South Congress Avenue Boynton Beach, Florida 33426
VICE PRESIDENT:	JEFFREY BROWN 1903 South Congress Avenue Boynton Beach, Florida 33426
SECRETARY:	MARY LOU JANSEN 1903 South Congress Avenue Boynton Beach, Florida 33426
TREASURER:	TAMMY A. MCDONALD 1903 South Congress Avenue Boynton Beach, Florida 33426

ARTICLE X

DIRECTORS

10.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a Board consisting of the number of directors determined in the manner provided by the By-Laws but which shall consist of not less than three (3) directors. . Directors must be members (Unit Owners) of the Association and residents of Units in the Condominium. Only a member of the Board of Directors shall be the Association's representative (Delegate) to the Master Association.

10.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners when such approval is specifically required.

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10.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

10.4 Term of Developer's Directors: The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.

10.5 First Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, as provided in the By-Laws, are as follows:

NAME	ADDRESS
TAMMY A. MCDONALD	1903 South Congress Avenue Boynton Beach, Florida 33426
MARY LOU JANSEN	1903 South Congress Avenue Boynton Beach, Florida 33426
JEFFREY BROWN	1903 South Congress Avenue Boynton Beach, Florida 33426

ARTICLE XI

INDEMNIFICATION

11.1 Indemnity: The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceedings, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have adjudged to be liable for gross negligence or misfeasance or malfeasance in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

11.2 Expenses. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 10.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

11.3 Approval. Any indemnification under Section 10.1 above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in Section 10.1 above. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or

proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by a majority of the voting interests of the members.

11.4 Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in any specific case upon receipt of an undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Section 10.

11.5 Miscellaneous: The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

11.6 Insurance: The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of 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 XII

BY-LAWS

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

ARTICLE XIII

AMENDMENTS

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

13.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.

13.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the voting interests of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing the approval is delivered to the Secretary at or prior to the meeting. The approvals must be:

(a) by not less than a majority of the voting interests of all of the members of the Association represented at a meeting at which a quorum thereof has been attained and by not less than sixty-six and two-thirds percent (66-2/3%) of the entire Board of Directors; or

(b) by not less than eighty percent (80%) of the voting interests of all of the members of the Association represented at a meeting at which a quorum has been attained; or

(c) by not less than one hundred percent (100%) of the entire Board of Directors.

13.3 Limitation. Provided, however, that no amendment shall make any changes in the qualifications of membership nor in the voting rights or property rights of members, nor any changes in Article V, Sections 5.3 and 5.5 entitled "Powers", without the approval in writing of all members and the joinder of all record owners of mortgages upon Units. No amendment shall be

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made that is in conflict with the Act, the Declaration or the By-Laws, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer, or an affiliate of the Developer, unless the Developer shall join in the execution of the amendment.

13.4 Application to Developer. The Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone.

13.5 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the Public Records of Palm Beach County, Florida.

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ARTICLE XIV

INITIAL REGISTERED OFFICE; ADDRESS AND NAME OF REGISTERED AGENT

The initial registered office of the corporation shall be at 700 N.W. 107th Avenue, Miami, Florida 33172, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be MORRIS J. WATSKY.

IN WITNESS WHEREOF, the Incorporator has affixed his signature this 1st day of September, 1993.

Morris J. Watsky

ACKNOWLEDGMENT

STATE OF FLORIDA :
COUNTY OF DADE :

The foregoing Articles of Incorporation was acknowledged before me this 1st day of September, 1993, by Morris J. Watsky. He is personally known to me and did not take an oath.

Janet S English
Notary Public, State of Florida at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
OFFICIAL NOTARY SEAL
JANET S ENGLISH
COMMISSION NUMBER
CC215052
MY COMMISSION EXP.
AUG. 10,1996

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

Pursuant to Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act:

That, Ashland Condominium A Association, Inc., desiring to organize under the laws of the State of Florida, with its registered office at 700 N.W. 107th Avenue, Miami, Florida 33172, has named MORRIS J. WATSKY, whose office is located at 700 N.W. 107th Avenue, Miami, Florida, as its agent to accept service of process within the State.

ACKNOWLEDGEMENT

Having been named to accept service of process for the above stated corporation, at the place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provisions of said Act relative to keeping open said office.

MORRIS J. WATSKY

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TALLAHASSEE, FLORIDA

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BY-LAWS OF

ASHLAND CONDOMINIUM A ASSOCIATION, INC.

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

1. Identity. These are the By-Laws of Ashland Condominium A Association, Inc., (the "Association"), a corporation not for profit, incorporated under the laws of the State of Florida and organized for the purpose of administering that certain condominium located in Palm Beach County, Florida, and known as Ashland Condominium A (the "Condominium").

1.1 Principal Office. The principal office of the Association shall be 700 N.W. 107th Avenue, Miami, Florida, 33172, or at such other place as may be subsequently designated by the Board of Directors.

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

1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.

2. Definitions. For convenience, the Florida Condominium Act shall be referred to as the "Act", these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration for the Condominium, unless herein provided to the contrary, or unless the context otherwise requires.

3. Members.

3.1 Annual Meeting. The annual members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than thirteen (13) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof.

3.2 Special Meetings. Special members' meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of all the voting interests of the membership of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting. Additionally, special members' meetings may be called by ten (10%) percent of the voting interests of the Association to recall a member or members of the Board of Directors or as provided for in Section 9.1(a)(ii) hereof; which meetings shall be called and held in accordance with the terms and provisions of the Act and Section 4 hereof.

3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of members stating the time and place, and identifying and incorporating the agenda items for which the meeting is called must be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium Property or Association Property. The Board must adopt a rule designating the specific location on the Condominium Property or Association Property upon which all Unit Owner meetings will be posted. However, this requirement does not apply if there is no Condominium Property or Association Property. The notice of the annual meeting shall be sent by mail to each Unit Owner, unless the Unit Owner waives in writing the right to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting and mailing of the notice shall be effected not less than fourteen (14) nor more than sixty (60) days prior to the date of the meeting and shall be for fourteen (14) continuous days. An officer of the Association shall provide an affidavit, to be included in the

official records of the Association, affirming that notice of the Association meeting were mailed or hand delivered in accordance with this provision, to each Unit Owner at the address last furnished to the Association.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.4 Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to thirty-three and one-third percent (33-1/3%) of the votes of the entire membership. If any proposed meeting cannot be organized because a quorum has not been attained, (notwithstanding anything contained herein to the contrary) a new meeting or meetings will be called upon proper notice as described in Section 3.3 of these By-Laws. At such new meeting or meetings, if necessary, at which a quorum exists any business may be transacted which might have been transacted at the meeting originally called. For the purposes of establishing a quorum at any Association meeting only the Voting Interests present or by proxy shall be counted. The written joinder of any Unit Owner may not be utilized to establish a quorum when such joinder occurs subsequent to the meeting. Notwithstanding the above, there shall be no quorum requirements; however, at least twenty (20%) percent of the eligible voters must cast a ballot in order to have a valid election of Directors.

3.5 Voting.

(a) Number of Votes. Except if the vote is to be determined by a percentage of shares of ownership in the Condominium as may be contemplated in specific portions of the Declaration, in any meeting of members, the Owners of Units shall be entitled to cast one (1) vote for each Unit owned. The vote of a Unit shall not be divisible.

(b) Majority Vote. The acts approved by a majority of the voting interests present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Unit Owners" and "majority of the members" shall mean a majority of the voting interests of Unit Owners and not a majority of members themselves and shall further mean more than fifty (50%) percent of the then total authorized voting interests present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the Declaration, or Articles, it shall mean such greater percentage of the voting interests of members and not of the members themselves.

(c) Voting Member. If a Unit is owned by one (1) person, his right to vote shall be established by the roster of members. If a Unit is owned by more than one (1) person, the person entitled to cast the vote for the Unit shall be designated by a Voting Certificate signed by all of the record owners of the Unit according to the roster of Unit Owners and filed with the Secretary of the Association. Such person need not be a Unit Owner, or one of the joint owners. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a Voting Certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Such person need not be a Unit Owner. Those Voting Certificates shall be valid until revoked or until superseded by a subsequent Voting Certificate or until a change in the ownership of the Unit concerned. A Voting Certificate designating the person entitled to cast the vote for a Unit may be revoked if by a record owner of an undivided interest in the Unit. If a Voting Certificate designating the person entitled to cast the vote for a Unit for which such Voting Certificate is required is not on file or has been revoked, the vote of the Owner(s) of such Unit shall not be considered in determining whether a quorum is present,

nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such Voting Certificate is filed, except if the Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. Such designee need not be a Unit Owner. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

(i) 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, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).

(ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.

(iii) If both are present at a meeting and concur, either one may cast the Unit vote.

3.6 Proxies. Votes may be cast in person or by use of a limited proxy. A limited proxy may be made by any person entitled to vote, but shall only be valid for the limited purpose set forth therein and for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. A limited proxy cannot be used to vote in the election of Directors unless otherwise provided for in Chapter 718, Florida Statutes. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, signed by the person authorized to cast the vote for the Unit (as above described), specify the date, time and place of the meeting for which it is given and be filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Holders of proxies need not be Unit Owners. The form of limited proxy shall substantially conform with a form to be adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes ("Division").

3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum as provided in Section 3.4 hereof is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. The notice of the newly scheduled meeting shall provide for among other things, that a quorum shall be attained by the presence either in person or by proxy of persons entitled to cast 33-1/3% of the voting interests of the entire membership. Proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.

3.8 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:

(a) Call to order by President;

(b) Appointment by the President of a chairman of the meeting (who need not be a member or a Director);

(c) Proof of notice of the meeting or waiver of notice;

(d) Reading of minutes;

(e) Reports of officers;

(f) Reports of committees;

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(g) Appointment of inspectors of election;

(h) Determination of number of Directors;

(i) Election of Directors;

(j) Unfinished business;

(k) New business;

(l) Adjournment.

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

3.9 Minutes of Meeting. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

3.10 Participation at Meetings. Unit Owners shall have a right to speak at all Owner meetings as to all agenda items. The Board shall adopt reasonable rules governing the frequency, duration and manner of Unit Owner participation. Unit Owners shall have the right to tape, record or videotape an Owner's meeting.

3.11 Action Without a Meeting. With the exception of a special meeting called for the purpose of adopting a budget for the Association which requires assessments against the unit owners in any fiscal or calendar year which exceed 115 percent of the assessments for the preceding year, any action required to be taken at any annual or special meeting of members, or any action which may be taken at any annual or special meeting of such members shall be taken at a duly noticed meeting of members; except that any action may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken shall be signed by the members (or persons authorized to cast the vote of any such member as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to approve such matters. Within ten (10) days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

4. Directors.

4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than five (5) directors, the exact number to be determined in the first instance in the Articles and thereafter, except as provided herein, from time to time, upon the vote of a majority of the voting interests of the membership. Any Director designated or appointed by Developer need not be a Unit Owner or a resident of a Unit in the Condominium. All other Directors must be Unit Owners and residents of Units in the Condominium.

4.2 Election of Directors. The election of Directors shall be conducted in the following manner:

(a) Election of Directors shall be held at the annual members' meeting, or if not at the annual members meeting, then the same day as the annual members meeting, except as provided herein to the contrary.

(b) If there is only one candidate for election to fill a vacancy, no election is required.

(c) The regular annual elections, as well as elections to fill vacancies, shall be by written ballot or by voting machine, and by a plurality of the votes cast, each person voting shall be entitled to cast his vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. There shall be no quorum requirement; however, at least 20% of the eligible voters must cast a ballot in order to have a valid election of Directors. Notwithstanding the

provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board of Directors.

(d) Notwithstanding anything to the contrary set forth in this Section 4.2, the procedure for the election of Directors shall be in accordance with Rule 61B-23.0021, Florida Administrative Code, except that if the Association consists of 25 or fewer units, it may, by a two-thirds vote of the Unit Owners, provide for a different voting and election procedures which vote may be by a proxy specifically delineating the different voting and election procedures.

4.3 Notice of Meeting to Elect Directors shall be given in two steps as follows:

(a) First Notice. Not less than 60 days before the scheduled election, the Association must send notice to each Unit Owner of the date of the election. Not less than 40 days prior to the election, eligible candidates must give notice to the Association of his or her desire to run for the Board in order to be placed on the ballot. A candidate may furnish the Association with an information sheet. The Board shall hold a meeting within five (5) days after the deadline for a candidate to provide notice to the Association of intent to run. At this meeting, the Board shall accept additional nominations. Any Unit Owner or other eligible person may nominate himself or may nominate another Unit Owner or eligible person, if permission has been given by the other eligible person, in writing, to nominate the other person.

(b) Second Notice. Not less than 30 days before the scheduled election, the Association must send a notice to all owners reminding them of the election, together with a ballot listing all eligible candidates and, upon the request of a candidate, the Association shall include an information sheet no larger than 8-1/2 inches by 11 inches, which must be furnished by the candidate not less than 35 days before the election.

(c) Notwithstanding anything to the contrary set forth in this Section 4.3, the procedure for giving notice for the election of Directors shall be in accordance with Rule 61B-23.0021, Florida Administrative Code.

4.4 Vacancies and Removal.

(a) Except as to vacancies resulting from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the unit owners, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of Section 4.17 hereof shall be filled by the Developer without the necessity of any meeting.

(b) Directors elected or appointed by Unit Owners other than the Developer shall be subject to recall only by the Unit Owners other than the Developer. Voting interests owned or controlled by the Developer shall not vote in such recall, whether in person or by proxy. For the purposes of establishing percentages of voting interests, and for establishing a quorum, only units owned by Unit Owners other than Developer shall be counted.

(c) Directors elected or appointed by Developer shall be subject to recall only by Developer. Voting interests owned or controlled by Unit Owners other than Developer shall not vote in such recall, whether in person or by proxy. For the purposes of establishing percentages of voting interests and for establishing a quorum, only units owned by Developer shall be counted.

(d) Developer only may vote, in person or by proxy, to fill a vacancy on the Board of Directors previously occupied by a Board member elected or appointed by Developer. A quorum for the purposes of that vote shall consist of a majority of units owned by Developer. Only Unit Owners other than Developer may vote, in person or by proxy, to fill a vacancy on the Board previously occupied by a Board member

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elected or appointed by Unit Owners other than Developer. A quorum for the purposes of that vote shall consist of a majority of Unit Owners other than Developer.

(e) Subject to the provisions of the Act and Section 4.17 of these By-Laws, any member of the Board may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests of the members. A special meeting of the Unit Owners to recall a member or members of the Board may be called by ten percent (10%) of the voting interests giving notice of the meeting as required for a meeting of Unit Owners, and the notice shall state the purpose of the meeting.

(i) If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall shall be effective immediately, and the recalled member or members of the Board shall turn over to the Board any and all records of the Association in his or their possession, within 72 hours after the meeting.

(ii) If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing shall be served on the Association by certified mail. The Board shall call a meeting of the Board within 72 hours after receipt of the agreement in writing and shall either certify the written agreement to recall a member or members of the Board, in which case such member or members shall be recalled effective immediately and shall turn over to the Board within 72 hours, any and all records of the Association in his or their possession, or proceed as described in subparagraph (iii) below.

(iii) If the Board determines not to certify the written agreement to recall a member or members of the Board, or if the recall by a vote at a meeting is disputed, the Board shall, within 72 hours, file with the Division of Florida Land Sales, Condominiums and Mobile Homes (the "Division"), a petition for binding arbitration pursuant to the procedures of the Act. For purposes of this Section 4.3(c), the Unit Owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall shall be effective upon service of the final order of arbitration upon the Association. If the Association fails to comply with the order of the arbitrator, the Division may take appropriate action pursuant to the Act. Any member or members so recalled shall deliver to the Board any and all records of the Association in his or their possession within 72 hours of the effective date of the recall.

(f) Notwithstanding anything to the contrary set forth in this Section 4.4, the procedure for filling vacancies or removing Directors shall be in accordance with Rule 61B-23.0021 of the Florida Administrative Code, except where a vacancy occurs on the Board of Directors as a result of a recall and less than a majority of the Directors are removed, in which instance the vacancy may be filled by the affirmative vote of a majority of the Directors.

4.5 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.

4.6 Organizational Meeting. The organizational meeting of newly-elected or appointed members of the Board of Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed, and no further notice to the Board of the organizational meeting shall be necessary.

4.7 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to

each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. Regular meetings of the Board of Directors shall be open to all Unit Owners and notice of such meetings shall be posted conspicuously on the Condominium Property for at least forty-eight (48) continuous hours in advance for the attention of the members of the Association except in the event of an emergency. Upon notice to Owners given by mail or personally to each Owner, the Board of Directors shall adopt a rule designating a specific location on the Condominium Property upon which all notices of Board of Directors meetings, both regular and special, shall be posted.

Notwithstanding the above, at any meeting at which there will be proposed, discussed or approved (i) non-emergency special assessments, or (ii) amendments to rules regarding unit use, additional notice must be mailed or hand delivered to each Owner as well as posted conspicuously on the Condominium Property, not less than fourteen (14) days prior to the meeting. The Association Secretary shall sign an affidavit attesting to the mailing and posting of this additional notice; no other person is qualified to sign this affidavit, which shall be placed in the official records of the Association. All notices for a regular meeting must specifically incorporate an identification of agenda items. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the Directors. Such emergency action shall be noticed and ratified at the next regular meeting of the Board of Directors.

4.8 Special Meetings. Special meetings of the Directors may be called by the President and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and specifically identify the agenda items of the meeting and shall be transmitted not less than three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Unit Owners and notice of a special meeting shall be posted conspicuously on the Condominium Property or Association Property for at least forty-eight (48) continuous hours in advance for the attention of the members of the Association except in the event of an emergency. If there is no Condominium Property or Association Property upon which notices can be posted, notice of Board of Directors meetings shall be mailed or delivered at least fourteen (14) days before the meeting to the Owner of each Unit.

Notwithstanding the above, at any meeting at which there will be considered (i) non-emergency special assessments, or (ii) amendments to rules regarding unit use, additional notice must be mailed or hand delivered to each Owner as well as posted conspicuously on the Condominium Property, not less than fourteen (14) days prior to the meeting. The person providing the notice shall sign an affidavit attesting to the mailing and posting of this additional notice; no other person is qualified to sign this affidavit which shall be placed in the official records of the Association. All notices for a special meeting must specifically incorporate an identification of agenda items.

4.9 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to be due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

4.10 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws.

4.11 Adjourned Meetings. If at any proposed meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At

any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted.

4.12 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting.

4.13 Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside). In the absence of the presiding officer, the Directors present may designate any person to preside.

4.14 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:

(a) Proof of due notice of meeting;

(b) Reading and disposal of any unapproved minutes;

(c) Reports of officers and committees;

(d) Election of officers;

(e) Unfinished business;

(f) New business;

(g) Adjournment.

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

4.15 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

4.16 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Condominium, (b) to determine the Assessments or Special Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Condominium Property, or (d) to exercise any of the powers set forth in Paragraph (g) and (p) of Section 5 below.

The Board, or a member of the Board may also create a committee and appoint Board Members and/or Unit Owners to such committee and invest in such committee such powers and responsibilities as the Board shall deem advisable to make recommendations to the Board regarding the Association Budget or to take action on behalf of the Board.

Committee meetings at which a quorum is present shall be open to Unit Owners and notice of such meeting shall be given just as is given for a meeting of the Board.

4.17 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three (3) directors during the period that the Developer is entitled to appoint a majority of the directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than the Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association. When Unit Owners

other than the Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three (3) years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to Purchasers, (b) three (3) months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to Purchasers, (c) when all of the Units that will operated ultimately by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business, (d) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, or (e) seven (7) years after the recordation of the Declaration of Condominium, or if the association ultimately operates more than one condominium, seven (7) years after recordation of the Declaration for the first condominium it operates, or if the association operates a phase condominium created pursuant to Section 718.403, Florida Statutes, seven (7) years after recordation of the Declaration creating the initial phase, whichever occurs first. The Developer is entitled (but not obligated) to elect at least one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business five (5%) percent of the Units that will be operated ultimately by the Association.

The Developer may turn over control of the Association to Unit Owners other than the Developer prior to such dates in its sole discretion by causing all of its appointed Directors to resign, whereupon it shall the affirmative obligation of Unit Owners other than the Developer to elect Directors and assume control of the Association. Provided at least thirty (30) days' notice of Developer's decision to cause its appointees to resign is given to Unit Owners, neither the Developer nor such appointees shall be liable in any manner in connection with such resignations even if the Unit Owners other than the Developer refuse or fail to assume control.

Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, or if the Developer has elected to accelerate such events aforesaid, the Association shall call, and give proper notice as set forth in Section 4.3 hereof of a meeting of the Unit Owners to elect such member or members of the Board of Directors. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Within a reasonable time after Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association (but not more than sixty (60) days after such event), Developer shall relinquish control of the Association and, at the Developer's expense, deliver to the Association all property of the Unit Owners and of the Association held by or controlled by the Developer, including but not limited to the following items, if applicable:

(a) The original or a photocopy of the recorded Declaration of Condominium and all amendments thereto. If a photocopy is provided, the Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration;

(b) A certified copy of the Articles of Incorporation for the Association;

(c) A copy of the By-Laws of the Association;

(d) The minute books, including all minutes, and other books and records of the Association;

(e) Any rules and regulations which have been adopted;

(f) Resignations of resigning officers and Board members who were appointed by the Developer;

(g) The financial records, including financial statements of the Association, and source documents since the incorporation of the

Association through the date Developer relinquishes control of the Association. The records shall be reviewed by an independent certified public accountant. The minimum report required shall be an audit in accordance with generally accepted accounting standards as defined by rule by the Board of Accounting. The accountant performing the audit shall examine, to the extent necessary, supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of Assessments and Special Assessments, if any. The audit shall be for the period in which Developer controlled the Association, but may start from the ending date of an earlier audit. The audit shall be delivered on or before ninety (90) days after turnover of control of the Association.

(h) Association funds or the control thereof;

(i) All tangible personal property that is the property of the Association or is or was represented by the Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;

(j) A copy of the plans and specifications utilized in the construction or remodeling of Improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the Improvements and the Condominium Property, with a Certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components servicing the Improvements and the Condominium Property;

(k) Insurance policies;

(l) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property;

(m) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association;

(n) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective;

(o) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records;

(p) Leases of the Common Elements and other leases to which the Association is a party, if applicable;

(q) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service; and

(r) All other contracts to which the Association is a party.

4.18 Attendance. A Director who is present at any Director's meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

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4.19 Voting. A Director may not vote by proxy and there shall be no secret ballot voting by Directors at a Board of Directors meeting except that officers may be elected by secret ballot. The minutes of the meeting must reflect each Board Member's vote or abstention.

4.20 Action Without a Meeting. Anything to the contrary herein notwithstanding and to the extent lawful, any action required to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors or a committee thereof, may be taken without a meeting if a consent in writing setting forth the action so to be taken signed by all of the Directors or all of the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Board or of the committee. Such consent shall have the same effect as a unanimous vote. No prior notice of such intended action shall be required to be given to the Directors or to the Unit Owners. Notice of the taking of such action pursuant hereto shall, however, be posted conspicuously on the Condominium Property for the attention of Owners after such action shall have been effected. Such notice shall fairly summarize the material features of the action so taken.

4.21 Owners' Right. Owners present at a meeting shall have the right to speak with reference to all designated agenda items subject to any reasonable rules adopted by the Board of Directors governing the frequency, duration and manner of Owner statements.

5. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein) the following:

(a) Operating and maintaining the Common Elements.

(b) Determining the expenses required for the operation of the Condominium and the Association.

(c) Collecting the Assessments and Special Assessments from Unit Owners.

(d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property, subject to a right of the Unit Owners to overrule the Board as provided in Section 13 hereof.

(f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Purchasing, leasing, holding or otherwise acquiring Units or other property in the name of the Association or its designee for the use and benefit of its members.

(h) Purchasing Units at foreclosure or other judicial sales, in the name of the Association or its designee.

(i) Selling, leasing, mortgaging or otherwise dealing with Units acquired by, and subleasing Units leased by, the Association or its designee.

(j) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.

(k) Obtaining and maintaining adequate insurance to protect the Association, the Association Property, if any, and the Condominium Property.

(l) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings or otherwise.

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(m) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper to the sound management of the Condominium.

(n) Levying fines where appropriate against Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners.

(o) Purchasing or leasing Units for use by resident superintendents.

(p) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association Property; provided, however, that the consent of the Owners of at least two-thirds (2/3) of the voting interests of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of $20,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (p) is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file or which will affect such Unit Owner's Unit.

(q) Contracting for the management and maintenance of the Condominium Property and authorizing a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, Special Assessments, preparation of records, reenforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Act, including but not limited to the making of Assessments, Special Assessments, promulgation of rules and the execution of contracts on behalf of the Association.

(r) At its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements or Association Property for private parties and gatherings and imposing reasonable charges for such private use provided such use is the subject of a lease between the Association and the Unit Owner.

(s) Initiating or authorizing voluntary mediation or mandatory non-binding arbitration of internal disputes arising from the operation of the Condominium among Unit Owners, the Association, their agents and assigns in accordance with Florida Statutes 718.1255 or the rules of procedure promulgated by the Department of Business and Professional Regulation.

(t) Imposing a lawful fee in connection with the approval of the transfer, lease, sale or sublease of Units.

(u) To grant, modify or move any easement, subject to the provisions of the easement, without the joinder of any Unit Owners, if the easement constitutes part of or crosses the Common Elements.

(v) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws, and in the Act; (ii) all powers specifically set forth in the Agreement for Deed and exhibits thereto and the Articles and By-Laws of the Master Association with respect to the collection of the Assessments for and on behalf of the Master Association and (iii) all powers incidental to (a) and (b) above and all other powers a Florida corporation not for profit under Florida Statutes, Chapter 607 and 617, (as they exist on the date hereof and as hereafter renumbered) as applicable, if not inconsistent with the Act.

(w) Levying Assessments for Common Expenses against Unit Owners for their share of the items in the budget, and/or Special Assessments for Common Expenses for emergencies for the Association and for the Master Association.

EXHIBIT "B" TO DECLARATION OF CONDOMINIUM

(x) Electing a Delegate, who must be Director to the Master Association who may be pre-emptorily removed at any meeting by concurrence of a majority of all the Directors.

(y) Maintaining, since the inception of the Association, a copy of each of the following, where applicable, which shall constitute the official records of the Association:

(1) The plans, permits, warranties, and other items provided by the Developer pursuant to Section 4.16 of these By-Laws;

(2) A photocopy of the recorded declaration of each condominium operated by the Association and all amendments thereto;

(3) A photocopy of the recorded By-Laws of the Association and all amendments thereto;

(4) A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto;

(5) A copy of the current rules of the Association;

(6) A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Unit Owners, which minutes shall be retained for a period of not less than 7 years;

(7) A current roster of all Unit Owners, their mailing addresses, Unit identifications, Voting Certificates, and if known, telephone numbers;

(8) All current insurance policies of the Association and condominiums operated by the Association;

(9) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Unit Owner's have an obligation or responsibility;

(10) Bills of sale or transfer for all property owned by the Association;

(11) Accounting records for the Association and separate accounting records for each condominium it operates, according to good accounting practices. All accounting records shall be maintained for a period of not less than 7 years. The accounting records shall include, but are not limited to:

(a) Accurate, itemized, and detailed records of all receipts and expenditures.

(b) A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each Assessment, Special Assessment, if any, the amount paid upon the account, and the balance due.

(c) All audits, reviews, accounting statements, and financial reports of the Association or Condominium.

(d) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of 1 year.

(12) Ballots, sign-in sheets and all other papers relating to voting by Unit Owners, which shall be maintained for a period of one (1) year from the date of the election, vote, or meeting to which the document related.

(13) All rental records where the Association is acting as agent for the rental of Units.

(14) Minutes of any meeting of the Association or of the Board of Directors shall be available for inspection by Unit Owners, or their

authorized representatives, within thirty days after the date of the meeting.

(z) The Association shall prepare a Question and Answer Sheet as described in F. S. 718.504, and shall update it annually.

The official records of the Association shall be maintained within the State of Florida, and shall be open to inspection and made available on the Condominium Property or Association Property to any Association member or the authorized representative of such member at all reasonable times and within five (5) working days after receipt of a written request by the Board or its designee. The failure of the Association to provide the records within ten (10) working days after receipt of a written request shall create a rebuttal presumption that the Association willfully failed to comply with the Statute. A Unit Owner who is denied access to official records is entitled to minimum damages of $50.00 per calendar day up to ten (10) days, the calculation to begin on the 11th day after receipt of the written request. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records for inspection. The Association shall maintain an adequate number of copies of the Declaration, Articles of Incorporation, By-Laws and Rules, and all amendments of each of the foregoing, as well as the Question and Answer Sheet provided for in F. S. 718.504, on the Condominium Property or Association Property to ensure their availability to Unit Owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those requesting them. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association member. Notwithstanding the provision of this paragraph, the following records shall not be accessible to Unit Owners:

1. A record which was prepared by an Association attorney or prepared at the attorney's express direction, which reflects a ;mental impression, conclusion, litigation strategy or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative procedures, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings.

2. Information obtained by the Association in connection with the approval of the lease, sale or transfer or a Unit.

3. Medical records of Unit Owners.

If the Association owns, leases or has reasonable access to a photocopy machine the Association shall, at the request of any Association member or the authorized representative of such member, make photocopies of Association official records as requested by such Association member or the authorized representative of such member. The Association shall not charge any fee to the Unit Owner or his authorized representative in connection with his inspection of the official records except the Association may charge a reasonable fee for the cost of making any copies provided such fee does not exceed 25 cents per page.

6. Officers.

6.1 Executive Officers. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer/Secretary, who shall be a Director and an Assistant Secretary who need not be a Director, all of whom shall be elected by the Board of Directors and who may be pre-emptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary or Assistant Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers need not be Unit Owners except if the officer is also a Director.

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

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

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

6.5 Assistant Secretary. The Assistant Secretary shall exercise the powers and perform the duties of the Secretary in the absence or disability of the Secretary.

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

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

8. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective.

9. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:

9.1 Budget.

(a) Adoption by Board: Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium (which shall detail all accounts and items of expenses and contain at least all items set forth in Section 718.504(20) of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners and allocate and assess expenses among the Unit Owners in accordance with the provisions hereof and of the Declaration. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing. The amount of reserves shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item. Reserves shall not be required if the members of the Association have, at a duly called meeting of members, by a vote of a majority of the voting interests of the members, determined for a specific fiscal

year to provide no reserves or reserves less adequate than required hereby. If a meeting of the Unit Owners has been called to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget, shall go into effect. The adoption of a budget for the Condominium shall comply with the requirements hereinafter set forth:

(i) Notice of Meeting. A copy of the proposed budget of Common Expenses shall be mailed to each Unit Owner not less than fourteen (14) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meetings. The meeting shall be open to Unit Owners.

(ii) Special Membership Meeting. If a budget is adopted by the Board of Directors which requires Assessments against such Unit Owners in any year exceeding one hundred fifteen (115%) percent of such Assessments for the preceding year, as hereinafter defined, upon written application of ten (10%) percent of the voting interests to the Board of Directors, a special meeting of Unit Owners shall be held within thirty (30) days of delivery of such application to the Board of Directors. Each Unit Owner shall be given at least ten (10) days' notice of said meeting. At the special meeting, Unit Owners shall consider and adopt a budget. The adoption of said budget shall require a vote of not less than a majority of all the voting interests of the Unit Owners (including the voting interests of the Developer).

(iii) Determination of Budget Amount. In determining whether a budget requires Assessments against Unit Owners in any year exceeding one hundred fifteen (115%) percent of Assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses of the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation Assessments for improvements to the Condominium Property and expenses which are unique to specific Unit Owners.

(iv) Proviso. As long as the Developer is in control of the Board of Directors of the Association, such Board shall not impose an Assessment for a year greater than one hundred fifteen (115%) percent of the prior year's Assessment, as herein defined, without the approval of Unit Owners owning a majority of the voting interests (including the voting interests of the Developer).

(b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget in accordance with the requirements of Section 9.1(a) above, the Board of Directors may call a special meeting of Unit Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for special meetings in Section 9.1(a), or propose a budget in writing to the members. If such budget is approved by a majority of the voting interests at the meeting or in writing, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

(c) Failure of Quorum or to Adopt Substitute Budget. If a meeting of the Unit Owners has been called and a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board of Directors shall go into effect as scheduled.

9.2 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the applicable calendar year annually in advance on or before December 20th preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month (or each

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quarter at the election of the Board) of the year for which the Assessments are made. If an annual Assessment is not made as required, an Assessment shall be presumed to have been made in the amount of the last prior Assessment, and monthly (or quarterly) installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors. Unpaid Assessments for the remaining portion of the calendar year for which an amended Assessment is made shall be payable in as many equal installments as there are full months (or quarters) of the calendar year left as of the date of such amended Assessment, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended Assessment shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.

9.3 Charges by the Association. Charges by the Association against members for other than Common Expenses shall be payable in advance. Charges for other than Common Expenses may be made only after approval of a member or when expressly provided for in the Declaration or the exhibits annexed thereto, as the same may be amended from time to time, which charges may include, without limitation, charges for the use of the Condominium Property or recreation areas, maintenance services furnished at the expense of an Owner, other services furnished for the benefit of an Owner and surcharges, fines and damages and other sums due from such Owner.

9.4 Special Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be due only after ten (10) days' notice is given to the Unit Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of Special Assessment.

9.5 Depository. The depository of the Association shall be such bank or banks in the County as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from these accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All funds shall be maintained separately in the Association's name. In addition, reserve funds shall be maintained separately from operating funds in separate accounts, except that for the purpose of investment reserves and operating funds, may be co-mingled, but separate ledgers must be maintained for each account. No manager or business entity required to be licensed or registered under F.S. 468.432, and no agent, employee, officer, or director of a condominium association shall co-mingle any Association funds with his funds or with the funds of any other condominium association or community association as defined in F.S. 468.431.

9.6 Acceleration of Assessment (or Special Assessment) Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon an Assessment or Special Assessment, the Board of Directors may, upon the filing of a claim of lien, accelerate the remaining installments of the Assessments for the remainder of the budget year in which the claim of lien was filed. Accelerated Assessments shall be due and payable on the date the claim of lien was filed.

9.7 Fidelity Bonds. To the extent required by law, fidelity bonds shall be required for those persons who control and disburse funds of the Association in the following amounts: If the Association's annual gross receipts do not exceed $100,000, the bond shall be in the principal sum of not less than $10,000 for each such person. If the Association's annual gross receipts exceed $100,000, but do not exceed $300,000, the bond shall be in the principal sum of $30,000 for each such person. If the Association's annual gross receipts exceed $300,000, the bond shall be in the principal sum of not less than $50,000 for each such person. The premiums on such bonds shall be paid by the Association as a Common Expense.

9.8 Accounting Records and Reports. Written summaries of the records described in Section 5(y)(11)(a) of these By-Laws, in the form and manner specified below, shall be supplied to each Unit Owner annually.

Within sixty (60) days following the end of the fiscal year, the Board shall mail, or furnish by personal delivery, to each Unit Owner, and to the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business and Professional Regulation, a complete financial report of actual receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

(a) Cost for security;

(b) Professional and management fees and expenses;

(c) Taxes;

(d) Costs for recreation facilities;

(e) Expenses for refuse collection and utility services;

(f) Expenses for lawn care;

(g) Costs for building maintenance and repair;

(h) Insurance costs;

(i) Administrative and salary expenses; and

(j) General reserves, maintenance reserves and depreciation reserves.

9.9 Application of Payment. All Assessment and Special Assessment payments made by a Unit Owner shall be applied as provided herein and in the Declaration or as determined by the Board.

9.10 Notice of Meetings. Notice of any meeting where Special Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Special Assessments will be considered and the nature of any such Special Assessments. If "non-emergency" special assessments are to be proposed, discussed or approved, the Association notice shall be both written and posted at least fourteen (14) days prior to said Meeting. The Association Secretary shall sign an affidavit attesting to the mailing and posting of said notice.

10. Roster of Unit Owners. Each Unit Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

11. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws.

12. Amendments. Except as in the Declaration provided otherwise, these By-Laws may be amended in the following manner:

12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.

12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the voting interests of the Association. Directors and

members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:

(a) by not less than a majority of the voting interests of all members of the Association represented at a meeting at which a quorum has been attained and by not less than 66-2/3% of the entire Board of Directors; or

(b) by not less than 80% of the voting interests of the members of the Association represented at a meeting at which a quorum has been attained; or

(c) by not less than 100% of the entire Board of Directors.

12.3 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of the Units without the consent of said Developer and mortgagees in each instance. No Amendment shall be made that is in conflict with the Articles or Declaration.

12.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of the County; provided, however, no amendment to these By-Laws shall be valid unless the first page of the amendment to be recorded shows the book and page of the public records where the Declaration is recorded.

12.5 Procedure. The By-Laws shall not be revised or amended by reference to its title or number only. Proposals to amend the By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder rather than assist the understanding of the proposed amendment, underlining and hyphens as indicative of words added or deleted shall not be used, but instead a notation shall be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of by law. See by law....for present text." Nonmaterial errors or omissions in the by law process shall not invalidate an otherwise properly promulgated amendment.

13. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of portions of the Condominium. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the voting interests of the members represented at a meeting at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions.

Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.

14. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

15. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define or limit the scope of these By-Laws of the intent of any provision hereof.

The foregoing was adopted as the By-Laws of the Association, on the 22nd day of August, 1995.

APPROVED:

Tammy McDonald, President

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SCHEDULE "A" TO BY-LAWS

RULES AND REGULATIONS FOR

ASHLAND CONDOMINIUM A

1. The sidewalks, entrances, and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium Property; nor shall any carts, bicycles, carriages, chairs, tables or any other similar objects be stored therein.

2. The personal property of Unit Owners must be stored in their respective Units or in storage areas.

3. No garbage cans, supplies, milk bottles or other articles shall be placed on the balconies or other Common Elements. No linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, fences, balconies, terraces or other portions of the Condominium Property.

4. No Unit Owner shall permit anything to fall from a window or door of the Condominium Property, nor sweep or throw from the Condominium Property any dirt or other substance into any of the balconies or upon the Common Elements.

5. All refuse must be deposited with all other refuse in areas designated for such purpose by the Developer.

6. Parking areas are solely for non-commercial automobiles with a current passenger vehicle registration.

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

8. No vehicle which cannot operate on its own power shall remain on the Condominium Property for more than twenty-four (24) hours, and no repair of vehicles shall be made on the Condominium Property.

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

10. No radio or television installation may be permitted in any Unit which interferes with the television or radio reception of another Unit.

11. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium Property, except signs used or approved by the Association. Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the Building or on the Common Elements.

12. The Association may retain a pass key to all Units. If a Unit Owner changes the lock or installs a new lock on his Unit, the Unit Owner shall provide the Association with a key to the new or changed lock.

13. Barbecuing shall be permitted only in designated areas.

14. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements, except for use in barbecuing.

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

EXHIBIT ONLY

16. Food and beverages may not be consumed outside of a Unit except in designated areas.

17. A Unit Owner shall not cause anything to be affixed or attached to, hung, displayed or place on the exterior walls, doors, balconies or windows of the Building. Curtains and drapes (or linings thereof) which face on exterior windows or glass doors of Units shall be subject to disapproval by the Board, in which case they shall be removed and replaced with acceptable items.

18. No structure of a temporary character, nor trailer, tent, mobile home or recreational vehicle, shall be permitted on the Condominium Property at any time or used on the Condominium Property at any time as a residence either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted, except small containers for use in gas barbecues.

19. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted, on, upon or in the Condominium Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in the Condominium Property. No derrick or other structure designed for use in boring for oil, natural gas or minerals shall be erected, maintained or permitted upon any portion of the Condominium Property.

20. No trucks or commercial vehicles, campers, mobile homes, motorhomes, house trailers or trailers of every other description, recreational vehicles, boats or boat trailers or vans shall be permitted to be parked or to be stored at any place on the Condominium Property. This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles, such as for pick-up, delivery and other temporary commercial services, nor to any of the Developer's vehicles, if those vehicles are engaged in any activity relating to construction, maintenance or marketing of a unit.

21. The requirements from time to time of any governmental agency for disposal or collection shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

22. No air-conditioning units may be installed by Unit Owners. No Unit shall have any aluminum foil placed in any window or glass door or any reflective substance placed on any glass.

23. No exterior antennae shall be permitted on the Condominium Property or improvements thereon provided that Developer shall have the right to install and maintain community antennae and radio and television lines and other temporary communications systems.

24. No chain link fences shall be permitted on the Condominium Property or any portion thereof, except during construction by Developer.

25. Children shall be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium Property and including full compliance by them of these rules and regulations. All children under fourteen (14) years of age must be accompanied by a responsible adult when entering and/or utilizing the Recreation Area or other commonly used facilities.

26. Age of Residents; Services and Facilities. Subject to all local ordinances, as they may be amended from time to time, at least one person over the age of fifty-five (55) years of age must be a permanent occupant of each Unit, whenever any person occupies said Unit. Persons under the age of fifty-five (55) years and more than eighteen (18) years of age may occupy and reside in a Unit as long as at least one of the occupants is over the age of fifty-five (55) years. No person under the age of eighteen (18) may be a permanent occupant of any Unit, except that persons under the age of eighteen (18) may be permitted to visit and temporarily reside for periods not to exceed thirty (30) days in total in any calendar year. Notwithstanding the above, if a Unit is transferred by inheritance, the requirement as to one occupant of said Unit being over the age of fifty-five (55) years is waived as to occupancy by the heirs so long as no permanent occupant is under the age of eighteen (18) years and further so long as at least eighty (80%) percent of all of the Units in the Condominium are occupied by one person over the age of fifty-five (55) years. It shall be the responsibility of the Board of Directors of the Association to determine whether eighty (80%) percent of the Units in the Condominium are occupied by at least one person who is over the age of fifty-five (55) years. Subject to the terms of this Declaration, the Articles of Incorporation and By-Laws of the Association the Board shall have the authority to make any additional capital improvements upon the common properties necessary to provide facilities or

services specifically designed to meet the requirements of the Fair Housing Amendments Act of 1988.

27. No animals or pets of any kind in any Unit or on the Condominium Property.

28. No Unit Owner shall install a screen enclosure to or upon the outside walls of the Building or on the Common Elements or Limited Common Elements without the prior consent of the Board of Directors.

29. No sign, advertisement, notice, lettering or descriptive design shall be posted, displayed, inscribed or affixed to the exterior of a Unit. No "FOR SALE" or "FOR RENT" or similar signs or notices of any kind shall be displayed or placed upon any part of a Unit by Unit Owners other than the Developer and the Association.

30. Every Owner and occupant shall comply with these Rules and Regulations as set forth herein, and any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration and By-Laws as amended from time to time. Failure of an Owner or occupant, licensee or invitee to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, licensees, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or By-Laws, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner or occupant and, if applicable, his licensee or invitee of the infraction or infractions. Included in the notice shall be a date and time of the next Board of Directors meeting at which time the Owner or occupant shall present reasons why penalties should not be imposed. At such meeting, the Owner or occupant shall be entitled to be represented by counsel (at his expense) and cross-examine any present witnesses and other testimony or evidence.

(b) Hearing: The non-compliance shall be presented to a Committee of Unit Owners after which the Committee of Unit Owners shall hear reasons why penalties should not be imposed. Formal rules of evidence shall not apply. A written decision of the Committee of Unit Owners shall be submitted to the Owner or occupant by not later than twenty-one (21) days after the Committee meeting.

(c) Penalties: The Board of Directors may impose a fine not in excess of Fifty Dollars ($50.00) for each non-compliance or each violation.

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

(e) Collection of Fines: No fine shall become a lien against a Unit. However, the Board may take such other affirmative and appropriate action as may be necessary to effect collection of fines.

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

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

31. With the exception of Rules No. 20, 26 and 27, these Rules and Regulations shall not apply to the Developer, nor its agents or employees and contractors, or to Institutional First Mortgagees, nor to the Units owned by either the Developer or such Mortgagees. All of these Rules and Regulations shall apply, however, to all other Unit Owners and occupants, and, if applicable, their licensees or invitees even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Unit Owners from specific Rules and Regulations upon written request therefor and good cause shown in the sole opinion of the Board.

SUPPLEMENTAL PROVISIONS TO INDIVIDUAL
AGREEMENT FOR DEED

The terms and conditions set forth herein are incorporated by reference into the Individual Agreement for Deed, a form copy of which is attached hereto as Exhibit "A" and made a part hereof, entered into by Unit Owners in the Lakes of Delray Development for the purpose of purchasing an undivided interest in the Recreation Area located in the Development. The terms "Development" and "Recreation Area" are defined in the Individual Agreement for Deed and Sections 1 through 5, inclusive, are purposely omitted herein to add continuity to the Individual Agreement for Deed which contains Sections 1 through 5A.

6. Mortgage.

Seller may mortgage the Recreation Area, provided that (i) the lender recognizes the rights of the Purchaser hereunder, (ii) the Recreation Area shall be free of mortgages at the time of conveyance to the Purchaser, and (iii) the Purchaser shall not be personally liable for payment of same.

7. Use and Possession.

7.1 Non-Exclusive. Subject to compliance of all Rules and Regulations which from time to time may be promulgated by the members of Lakes of Delray, Inc., a Florida corporation not-for-profit (the "Master Association") or by the Management Firm referred to below, and during and so long as the Purchaser shall not be in default in the payments hereinabove recited to be made or under any of the other terms or provisions of this Agreement, the Purchaser and Purchaser's family, guests, lessees and invitees (as defined under the then existing Rules and Regulations) shall have the non-exclusive right for use of the Recreation Area. The parties acknowledge that the Recreation Area has been designed for the non-exclusive use and occupancy of the owners, occupants and guests of all Units presently existing or hereafter constructed at the Development and Purchaser's right to use and possession of the Recreation Area shall be limited by the provisions of this Agreement and the aforesaid Rules and Regulations. The Recreation Area is intended solely for the use of residents of the Development. The lands that may constitute the Development shall be determined by Seller in its sole discretion provided that said lands presently include all of the real property referred to herein as the Development, and provided further that in any event said lands shall not exceed one hundred sixty-six (166) acres in total. The Seller shall also have certain exclusive rights to use of portions of the Recreation Area as more specifically set forth in Section 27 below and such rights, including the right to enter into leases with other persons for use of specific portions of the Recreation Area, shall not be deemed in conflict with Purchaser's right to use the Recreation Area as herein provided.

7.2 Management. The Recreation Area shall at all times during the term hereof be under the complete control, operation and supervision of the Master Association. The Master Association shall enter into a Management Agreement (referred to in Section 13.1 below, with the Recreation Area Management Firm. The Recreation Area Management Firm may provide, with Seller's consent, for the exclusive use on a temporary basis of certain small portions of the Recreation Area by a condominium association or a Unit Owner under such terms and conditions as the Recreation Area Management Firm deems advisable, and such use may be conditioned upon the payment by the requesting party of additional compensation, chargeable as a special assessment, in such amounts and proportions as the Recreation Area Management Firm determines.

7.3 Enforcement. Should Purchaser fail to pay his share of any sums due under this Agreement until ten (10) days after same

shall become due, in addition to any and all other remedies or actions that may be taken against such Purchaser, the Recreation Area Management Firm may deny the Purchaser and all authorized users of the Recreation Area under said Purchaser the use and enjoyment of the Recreation Area until such sums are paid. The Recreation Area Management Firm shall have the further right, in its sole discretion, to suspend any Purchaser or authorized user of the Recreation Area (without any abatement or reduction in the sums due from said Purchaser) from the use of the Recreation Area for a period not to exceed thirty (30) days for any infraction of the Rules and Regulations pertaining to the Recreation Area, and to institute such suits or proceedings as the Recreation Area Management Firm deems expedient to prevent any impairment of the Recreation Area, by acts in violation of the Rules and Regulations governing the use of the Recreation Area.

Specific Limitations.

(a) Residents. The Purchaser, together with such other members of the Purchaser's immediate family who are in residence in the condominium Unit may use the Recreation Area as provided herein. When a corporation or other business entity is the owner of a condominium Unit, the use of the Recreation Area shall be limited at any one time to such officer, director, partner or employee of such corporation or other business entity as is in actual residence and is designated by the corporation in the manner set forth in the Declaration, and such individual shall be deemed to be the Purchaser for the purpose of this paragraph. Guests and invitees of a Purchaser, whether in temporary residence in the Condominium or not, may only be permitted to use the Recreation Area, if at all, with the permission of Seller, and subject to any terms and conditions imposed on the Recreation Area Management Firm, in its sole discretion, including the payment of additional reasonable compensation therefor, it being understood and agreed that the Recreation Area is primarily designed for the use and enjoyment of the Unit Owners and others living at the Development, and the use by outside guests and invitees may be required to be limited or not permitted at all during certain times of the day, certain days, weeks, or months of the year.

(b) Lessees. If Purchaser leases the Unit, either the Purchaser or the lessee and their respective family in residence, as specified by the Purchaser, shall be entitled to use of the Recreation Area, but not both; and, in the event the lessee is designated to use the Recreation Area, subject to the Rules and Regulations for the Recreation Area, said lessee's rights shall be the same as though the lessee were the Purchaser. If a Purchaser does not forthwith advise the Recreation Area Management Firm as to the foregoing, the Recreation Area Management Firm may determine in its sole discretion who shall be entitled to use of the Recreation Area.

(c) Transfer of Title. The transfer of title of any Unit in the Condominium, whether voluntarily or by operation of law, terminating a Purchaser's membership in the Condominium Association, shall likewise terminate said Purchaser's rights to the use and enjoyment of the Recreation Area hereunder, it being understood that the Unit Owner's rights and privileges under this Agreement shall not be separately assignable.

(d) Age. The Recreation Area may not be used by persons under the age of eighteen (18) except as specifically permitted in the Rules and Regulations.

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(e) Nuisance; Violations. Purchaser shall not perform nor permit his family, guests and invitees, to perform any acts or carry on any practices which may injure the Recreation Area or be a nuisance or menace to, or interfere with, the rights of others, or otherwise be in violation of the Rules and Regulations established from time to time by the Recreation Area Management Firm.

8. Net Transaction.

8.1 Costs and Expenses of Maintenance, Operation and Management of Recreation Area.

Subject to and in accordance with the provisions of Section 14 below, it is the intention of the parties hereto that the sale of the Recreation Area to Purchaser, various Unit Owners, and various condominium associations at the Development be a net transaction to Seller. Accordingly, Purchaser shall be responsible for its proportionate share of all expenses of taxes, assessments, insurance, utilities, management fees, reserves for capital repairs and refurbishing, if any, and if requested by Seller after expiration of Seller's guaranty referred to herein, any and all capital expenditures, if any, maintenance and all other costs and expenses of operation of the Recreation Area as a first class recreational facility commencing from the date of this Agreement. Purchaser's "proportionate share" shall be determined for any given period by dividing a fraction, the numerator of which is one (1), and the denominator of which is the total number of Units then existing in the Development.

8.2 Payment of Purchase Price and Expenses for Recreation Area by Unit Owners.

During the term of any Recreation Area Management Agreement as provided in Section 13.1 below, all payments for the purchase price by Purchaser shall be made directly to the Recreation Area Management Firm or its designee therein named as agent for Seller or directly to Seller.

8.3 Non-Liability of Seller After Closing. It is expressly acknowledged and understood between the parties that after closing, all sums necessary for the expense of taxes, assessments, insurance, utilities, management fees, reserves, if any, maintenance and other costs of operation of the Recreation Area as aforesaid shall be derived solely from the condominium associations and/or individual Unit Owners, purchasers of a proportionate share of the Recreation Area, located at the Development and without any contribution from Seller whatsoever (except as may otherwise be provided herein to the contrary with respect to payments contemplated under Section 8.1 herein) and notwithstanding the fact that Seller may have retained an undivided interest in the rents, issues and profits of the Recreation Area.

9. Taxes and Liens.

9.1 Payment of Taxes. Palm Beach County, district and State of Florida ad valorem taxes, personal property taxes, and special assessments, if any, on the Recreation Area shall be prorated to the date of this Agreement according to the latest available tax assessment rates, and the same shall be re-prorated when the actual figures become available. Thereafter, Purchaser shall fully and timely pay and discharge its proportionate share of all such taxes, assessments and other liens of every kind and nature, whatsoever levied or assessed against the Recreation Area. As evidence of proper payment, Purchaser shall furnish and deliver to Seller on or before the date of delinquency and before any interest attaches and any penalty is incurred, an officially stamped receipt or duplicate receipt showing payment of the tax, assessment or other lien. Purchaser shall promptly satisfy and discharge any taxes, assessments, levies, liabilities,

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obligations and encumbrances (except underlying mortgages and liens created by Seller) of record and shall place the original official document which has been appropriately cancelled in the hands of Seller within ten (10) days after payment. This Section shall not be deemed or construed so as to require Purchaser to pay any personal or corporate income taxes or franchise taxes levied or assessed against Seller.

9.2 Right to Contest. Anything hereinabove contained to the contrary notwithstanding, the Purchaser may in good faith contest any tax, assessment, levy, rate, imposition or governmental charge which, under the provisions of this Agreement, it shall be required to pay; and in the event of any such contest, the failure on the part of the Purchaser to pay any such tax, assessment, levy, rate, imposition or other governmental charge promptly when the same becomes due and payable, shall not constitute a default hereunder; provided, however, that Purchaser posts a bond by a surety acceptable to Seller in an amount sufficient to discharge the levy and that, upon the final determination of such contest, Purchaser shall immediately pay and discharge any judgment rendered, together with all costs and charges incidental thereto, and shall cause the lien thereof to be released from the Recreation Area.

10. Insurance.

10.1 Required Coverage. Purchaser shall fully and timely pay its proportionate share of all premiums for all insurance herein required. Purchaser shall keep the Recreation Area insured by policies, in form approved by Seller, for the benefit of Seller, with companies approved by Seller, against loss or damage by:

(a) Fire, lightning, windstorm, hail, explosion, riot attending a strike, civil commotion, aircraft, vehicles, flood and smoke, and (as when and to the extent insurance against war risk is obtainable from the United States or agency thereof) against war risk and maintain rent coverage, all in amounts satisfactory to and approved by Seller, but not less than one hundred (100%) percent of the replacement value less deductible, and, if obtainable, ninety (90%) percent of the projected rental income, if any;

(b) Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Recreation Area or adjoining sidewalks, streets or entrances, or any work, matters, or things under or in connection with or related to the Recreation Area, or this Agreement, with combined single limit liability of not less than $2,000,000. for each accident or occurrence; $500,000. per person and $300,000. property damage;

(c) workers' compensation and other mandatory insurance; and

(d) Such additional insurance coverage or other types of insurance as Seller shall reasonably require.

Regardless of the types or amounts of insurance required and approved by Seller, Purchaser will assign and deliver to Seller all such policies of insurance as collateral and further security for the payments set forth in Section 3.1 above, with loss payable to Seller as its interest appears and without prior contribution or payment to Purchaser.

10.2 Repair After Casualty. If Seller by reason of such insurance received any money for loss or damage (excluding payments under the rent insurance), such amount shall be paid over to a special account for the repair or replacement of the Recreation Area as hereinafter provided. If all or any part of the Recreation Area shall be damaged by fire or other casualty, Purchaser shall

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promptly restore the Recreation Area to the equivalent of its original condition regardless of whether there shall be sufficient insurance proceeds therefor; and, provided Purchaser is not in default hereunder, all sums payable by any insurance company on account of such fire or casualty shall be placed in a special account to be administered by Seller for the repair or replacement of the Recreation Area as determined in the sole judgment of the Recreation Area Management Firm then managing the Recreation Area. Upon notification by said Recreation Area Management Firm, Purchaser shall immediately deposit into said special account its proportionate share of all additional sums required to repair or replace the Recreation Area. Payments of principal and interest and all other sums due hereunder shall not abate or be reduced on account of any such fire or casualty.

10.3 Purchase and Custody. Not less than thirty (30) days prior to the expiration dates of each policy required of the Purchaser pursuant to this Section, the Purchaser will deliver to the Seller a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment or method of payment satisfactory to the Seller, provided that coverage may be maintained jointly by the various associations at the Development through common or master policies. Each of the foregoing policies shall contain:

(a) The agreement of the insurer to give Seller written notice at least thirty (30) days prior to cancellation of or material change in said policies or any of them;

(b) Agreement that said policies are primary and non-contributing with any insurance that may be carried by Seller;

(c) A statement that the insurance shall not be invalidated should any insured waive in writing prior to a loss, any or all right of recovery against any party for loss accruing to the property described in the insurance policy; and

(d) If obtainable, a provision that no act or omission of Purchaser shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

Seller and Purchaser hereby release the other from liability or responsibility to the other or anyone claiming through or under them by way of subrogation for any loss or damage to person or property caused by fire or any of the extended coverage of supplementary contract casualties, even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.

11. Advance Payments.

If required by Seller, Purchaser shall pay to Seller on the date of each regular installment of interest and principal, as set forth in Section 3.1 of the Individual Agreement for Deed, an amount equal to one-twelfth (1/12) of the yearly taxes, assessments and insurance premiums estimated by Seller as allocable to Purchaser to be sufficient to enable the Seller to pay at least thirty (30) days before they become due all taxes, assessments, insurance premiums, and similar charges against the Recreation Area or any part thereof. Such added payment shall not be, nor be deemed to be, trust funds, but may be co-mingled with the general funds of Seller, and no interest shall be payable in respect thereof. Upon demand of Seller, Purchaser agrees to deliver to Seller such additional monies as are required to make up the deficiencies in the amounts necessary to pay all such charges.

12. Maintenance and Repair.

12.1 Continuing Duty. Purchaser shall continuously, at all times during the term hereof, and by paying its proportionate share of

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all costs and expenses, keep and maintain in good order and condition the Recreation Area, and all parts thereof, including any buildings, improvements, appurtenances and all furniture, furnishings, fixtures and equipment and every part thereof now and hereafter constructed or located in, on, or about the Recreation Area in good and sanitary order, condition and repair, ordinary wear and tear excepted, and Purchaser shall be responsible for and shall pay for its proportionate share of all repairs thereto and restorations, replacements and renewals thereof, both inside and outside, structural and non-structural, extraordinary and ordinary, foreseen and unforeseen, howsoever the necessity or desirability for same may occur, and whether or not necessitated by latent defects or otherwise; and Purchaser shall use all precautions to prevent waste, damage or injury.

12.2 Alteration; Removal. The Recreation Area and all parts thereof, including all additions or replacements thereto, shall not be removed, demolished or materially altered or enlarged, nor shall any new building be constructed, without prior written consent of the Seller, except that Purchaser shall have the right, together with other purchasing associations and purchasing Unit Owners, without such consent, to remove and dispose of such furniture and furnishings, equipment, appliances, machinery or appurtenances, subject to the lien hereof, as from time to time may become worn out, undesirable or obsolete for use in operation of the Recreation Area, not exceeding in value at the time of disposition thereof One Thousand Dollars ($1,000.00) for any single transaction or a total of Ten Thousand Dollars ($10,000.00) in any one year, provided that simultaneously with or prior to such removal any such property shall be replaced with other property of a value at least equal to that of the replaced property and free from any title retention or other security agreement or other encumbrance and from any reservation of title, and by such removal and replacement the Purchaser shall be deemed to have subjected such property to the lien of this Agreement.

12.3 Waste; Governmental Restrictions. Purchaser will not commit or suffer any waste of the Recreation Area and will comply with, or cause to be complied with, all governmental authority having jurisdiction over the Recreation Area or its use; and Purchaser will not initiate, join in or consent to any change in any private restrictions limiting or defining the uses which may be made of the Recreation Area or any part thereof.

12.4 Work. If any work required to be performed on the Recreation Area by Purchaser under this Agreement shall involve an estimated expenditure of more than Ten Thousand Dollars ($10,000.00), no such work shall be undertaken until plans and specifications therefor, prepared by an architect satisfactory to the Seller, have been submitted to and approved by the Seller, and all such work undertaken in connection therewith shall be done in accordance with such plans and with the guidance and consent of Seller.

13. Management of Recreation Area.

13.1 Recreation Area Management Agreement. Simultaneously with the execution of this Agreement, Purchaser agrees to be bound by the terms and provisions of that certain Recreation Area Management Agreement, a copy of which is annexed hereto as Exhibit B. During the term of said Recreation Area Management Agreement and subsequent management agreements, the Recreation Area Management Firm therein named shall have the right from time to time to promulgate, and Purchaser agrees for himself and his family, guests, and invitees to be bound by Rules and Regulations for the use of the Recreation Area. A copy of the initial Rules and Regulations are annexed hereto as Exhibit C and another copy and all amendments and revisions thereof shall be posted in a conspicuous place at the clubhouse and all such Rules and Regulations, as amended and revised, shall be deemed an

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integral part of this Agreement and incorporated herein by this reference.

13.2 Continuing Agreement. In order to insure fair and equitable treatment for all Co-Tenants of the Recreation Area, the Purchaser agrees, at such time as the initial Recreation Area Management Agreement shall terminate, for whatever reason, and for so long as Seller shall own fee simple title to a portion of the Recreation Area, to cause the appropriate neighborhood association to join in or otherwise authorize the Master Association to enter into an agreement for management and maintenance of the Recreation Area with such person or persons, natural or corporate, as shall be determined by affirmative vote of not less than seventy-five (75%) percent of the members of the Master Association. Any such Agreement shall contain provisions for the maintenance and management of the Recreation Area similar to those contained in the initial Recreation Area Management Agreement above-referenced to, provided, however, that until such time as the said purchase price has been paid in full and the Warranty Deed shall have been delivered to Purchaser, designation of the party with whom or with which the Tenants-in-Common shall enter into a Recreation Area Management Agreement pursuant to the provisions of this Section, shall be subject to the approval of the Seller, which approval shall not be unreasonably withheld.

It is the expressed intention of the parties that at all times during the term of this Agreement, a valid and binding agreement for the maintenance and management of the Recreation Area be in existence; and if, for any reason, such an agreement is not in existence, the Recreation Area Management Agreement annexed as Exhibit B hereto shall automatically be deemed renewed for a ten (10) year period commencing with the expiration or other termination of the prior existing agreement for management and maintenance of the Recreation Area, and the automatic renewal of the Recreation Area Management Agreement be self-operating without the necessity of execution of any further documentation, subject only to the approval of the Recreation Area Management Firm therein named.

Purchaser further agrees, together with all of the other purchasing Unit Owners and condominium associations at the Development (the "Purchasers") of the Recreation Area, to the formation by Seller of the Master Association. The members of the Master Association shall consist of all of the Condominium Associations in the Development (existing or hereafter created), the Recreation Area Association (referred to in Section 28 hereof) and Seller, at Seller's option, if Seller owns fee simple title to a portion of the Recreation Area. The purposes of the Master Association shall include, but not be limited to, providing for the operation, maintenance and preservation of the Recreation Area. The Master Association shall act for and on behalf of all of its members. Any and all action of the Master Association shall be by an affirmative vote in excess of seventy-five (75%) percent of its members (or as may otherwise be agreed to by the Members), and shall be in accordance with the Master Association's Articles of Incorporation and By-Laws. During such time that Seller owns fee simple title to a portion of the Recreation Area or prior to such time the purchase price is paid in full by a purchaser (including Purchaser), the designation of the party with whom or with which the Master Association shall enter into a Recreation Area Management Agreement shall be subject to the approval of Seller, which approval shall not be unreasonably withheld. The foregoing provision shall neither be a limitation of nor a restriction upon the provisions in Section 24 hereof.

14. Fixed Payment Guaranty of Maintenance.

Except as otherwise provided in this Agreement to the contrary with respect to the payment of the purchase price, the Seller shall be

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excused from the payment of the share of the Common Expenses and Assessments of the Master Association relating to Units it is offering for sale, for a period beginning with the recording of the Declaration of Condominium for the Condominium and ending the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit in the Condominium occurs. However, the Seller must pay the portion of the common expenses of the Master Association incurred during that period which exceeds the amount assessed against other Unit Owners.

During the period from the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit occurs until December 31, 1994, (the "Guarantee Expiration Date"), the Seller shall not be obligated to pay the share of the common expenses and assessments attributable to Units it is offering for sale, provided that the regular monthly assessments for common expenses imposed on each Unit Owner other than the Seller shall not increase during such period over $50.19 per unit per month, which is the amount set opposite such Unit's designation (model type) in the Estimated Operating Budget for expenses for the Recreation Area contained in the Supplement to the Offering Circular (Prospectus) delivered to such Unit Owner when such Owner contracted to purchase the Unit, if applicable; and provided further that the Seller shall be obligated to pay any amount of common expenses actually incurred during such period and not produced by the assessments at the guaranteed level receivable from Unit Owners. Developer reserves the right, at its option, to extend the Guarantee, including the Guarantee Expiration Date, upon the same or different terms.

After the period of Seller's guaranty, Purchaser shall make all payments as required by the provisions of this Agreement without consideration of this Section 14. Seller shall have the right to defer any governmental assessments or other charges that may be deferred beyond the period of this guaranty.

15. Seller's Contribution.

In the event Purchaser defaults in respect to its obligations hereunder to make any payments or perform any acts required of Purchaser in Sections 9, 10, 11, 12, 13 and 14 above, in addition to any other remedy afforded to Seller hereunder and at law, Seller shall have the right, at its option, to make such payments and perform such acts on Purchaser's account, and Purchaser shall reimburse Seller for same, with interest at the highest lawful rate from time to time, on demand. The contribution by Seller of any funds under this Section shall not be deemed a waiver or consent to Purchaser's default.

16. Rents; Issues and Profits.

With the exception of principal and interest payments that may be due Seller under Agreements for Deed with condominium associations and Unit Owners located at the Development, all other rents, issues and profits growing from or arising out of the Recreation Area shall be used to defray costs of operating the Recreation Area. Profits from "Bingo" shall not be considered rents, issues and profits arising out of the Recreation Area. All principal and interest payments due Seller under Agreements for Deed shall be paid to and shall belong exclusively to Seller.

17. Subordination and Encumbrance.

17.1 Subordination to Mortgage. The Purchaser hereby agrees that the lien against the Unit created in its favor pursuant to and by the provisions of this Agreement will be subordinate to the lien of any institutional first mortgage now in existence or hereafter created against the Unit affected hereby, and further agrees to execute and deliver such separate subordination documents as any such Institutional First Mortgagee may reasonably require.

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17.2 Foreclosure. Where an Institutional First Mortgagee of record or other purchaser of record, obtains title to a Unit as a result of foreclosure of an institutional first mortgage, or when an Institutional First Mortgagee of record accepts a deed to said Unit in lieu of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the share of all sums due hereunder allocable to said Unit or chargeable to the former Unit Owner of the Unit which became due and payable prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu of foreclosure.

An Institutional First Mortgagee acquiring title to a Condominium Unit as a result of foreclosure, or a deed in lieu of foreclosure, may not during the period of its ownership of such Condominium Unit, whether or not such parcel is unoccupied, be excused from the payment of same or all sums due hereunder allocable to said Condominium Unit coming due during the period of such ownership.

17.3 Exclusions; Priority. This Agreement shall not be deemed to be subordinate to any mortgages or other liens except as specifically provided in Section 4 of the Individual Agreement for Deed and Section 17.1 above. Seller's lien hereunder shall extend to the Unit and such lien shall take priority as against the Unit from the date of recording of this Agreement or the date of recording of a claim of lien in the Public Records of Palm Beach County, Florida, whichever shall first occur. In the event any sums are not paid hereunder as a result of the foreclosure of a lien or mortgage other than an Institutional First Mortgage, all such unpaid sums shall become immediately due and payable forthwith by the subsequent acquirer of title to the Unit, his heirs, successors and assigns.

17.4 No Encumbrance. Prior to closing and delivery of a Warranty Deed to all applicable Unit Owners and condominium associations at the Development that are purchasing an interest in the Recreation Area, Purchaser shall not lease, pledge or encumber the Recreation Area or any part thereof or attempt so to do.

18. Condemnation.

18.1 Partial Condemnation. If any portion of the Recreation Area shall be damaged or taken through condemnation (which term used in this Agreement shall include any damage or taking by governmental authority, and any transfer by private sale in lieu thereof, either temporarily or permanently), the monthly installments of principal and interest and all other sums due hereunder shall continue unaffected as to amount unless such portions of the Recreation Area is taken as to completely destroy its usefulness as a recreational facility, and Purchaser will promptly restore, repair or alter the remaining portion of the Recreation Area in a manner satisfactory to Seller. The Seller shall be entitled to all compensation, awards and any other payments or relief for such condemnation and Seller is hereby authorized, at its option, to commence, appear in and prosecute in its own or the Purchaser's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith; and all such compensation, awards, damages, claims, rights of action and proceeds and the right thereto properly allocable by the Seller to the Recreation Area are hereby assigned by the Purchaser to the Seller, who after deducting therefrom all its expenses, including attorney's fees, may apply any monies so received by it without affecting the lien of this Agreement, and at its sole discretion, either (i) to the proportional reduction of the sums secured hereby and by other agreements affecting the Recreation Area, and any balance of such monies then remaining properly allocable by the Seller to the Recreation Area shall be paid to the Purchaser and other owners of the Recreation Area as their proportional interests may appear, or (ii) provided Purchaser is not in default hereunder, to a special account to be administered by Seller for the restoration, repair or alteration of the remaining portion of

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the Recreation Area in the manner determined by the Recreation Area Management Firm then managing the Recreation Area. Upon such notification by such Recreation Area Management Firm, Purchaser shall immediately deposit into said special account its proportionate share of all additional sums required to restore, repair and alter the Recreation Area. The Purchaser agrees to execute such further assignments of any compensations, awards, damages, claims, rights of action and proceeds as the Seller may require.

18.2 Total Condemnation. If all or any portion of the Recreation Area shall be taken through condemnation so as to completely destroy the usefulness of the Recreation Area as a recreational facility, this Agreement shall terminate upon the taking of possession pursuant thereto, and Purchaser shall make all payments required to be made by Purchaser apportioned to the date of such possession. Seller is hereby authorized to commence all actions and proceedings relating to such condemnation and settle all claims in connection therewith as set forth in Section 18.1 above. All compensation, awards, damages, claims, rights of action and proceeds and the right thereto properly allocable by the Seller to the Recreation Area are hereby assigned by the Purchaser to the Seller, who after deducting therefrom all its expenses, including attorney's fees, shall apply the monies so received by it first to the reduction of the balance of the purchase price and all accrued interest due hereunder and under all other agreements for sale of interests in the Recreation Area at the Development, and the balance, if any, shall be paid to the Purchaser and other owners of the Recreation Area as their proportional interests may appear. The taking of all or any part of any additional facilities hereafter added to the Recreation Area shall never be deemed a taking of such portion of the Recreation Area so as to completely destroy the usefulness of the Recreation Area.

19. Partition; Termination.

19.1 No Partition. Purchaser agrees for itself and for its membership that it shall not seek any partition or other division of the Recreation Area.

19.2 Termination. In the event the Purchaser and other Unit Owners of the Condominium elect to terminate the Condominium, for any reason whatsoever, the undivided interest held by Purchaser in and to the Recreation Area shall be deeded to the then existing record owners of legal title to the Recreation Area, as their respective interests may appear, for and in consideration only of the prior use and enjoyment of the Recreation Area by the Unit Owners and the sum of Ten Dollars ($10.00). The conveyance shall be made by Quit-Claim Deed executed by Purchaser in recordable form, which Deed shall be recorded in the Public Records for Palm Beach County, Florida. In addition, in the event such termination, the unpaid balance of the purchase price, together with accrued interest thereon, shall be immediately due and payable forthwith. Thereafter, once the full purchase price is paid, the Purchaser, if Purchaser continues to make timely payment of the other sums due hereunder shall be entitled to continue to use the Recreation Area and shall be entitled to be members of the Recreation Association hereafter referred to.

20. Purchaser's Default and Seller's Remedies.

20.1 Default and Remedies against Purchaser. Time is of the essence of this Agreement and if Purchaser fails to make any of the payments or to perform and observe the covenants and agreements as and when herein set forth or in the event Purchaser voluntarily or involuntarily (whether by bankruptcy or otherwise) transfers its interest in the Recreation Area, the Seller may, at its option:

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(a) Terminate and cancel this Agreement and retain all payments heretofore made hereunder by the Purchaser as an agreed rental for said Recreation Area, and in liquidation and satisfaction of all damages sustained by the Seller, whereupon all liabilities of the parties hereto shall cease and terminate and in the event any suit or proceedings shall be brought by the Seller to terminate and cancel this Agreement or foreclose upon the real property, the Seller shall not refund to the Purchaser any sum of money paid hereunder by the Purchaser to the Seller.

(b) Declare the whole of the unpaid balance of said purchase price together with all amounts then due under and secured by the provisions of this Agreement to be immediately due and payable forthwith and place this Agreement in the hands of an attorney at law for the enforcement of the lien of Seller or for the collection of such unpaid balance.

(c) seek specific performance.

(d) take full possession of the Recreation Area from the Purchaser and hold, store, use, operate, manage or control the Recreation Area, and conduct the business thereof as Seller may determine from time to time to be to its best advantage, and Purchaser shall be responsible for all of Seller's costs and expenses incurred in connection therewith.

(e) To pursue any other remedy available hereunder or at law to Seller, all as the Seller shall deem most effectual for such purposes. The Seller shall take action either by such proceedings or by the exercise of its powers with respect to entry or taking possession as the Seller may determine.

(f) seek separate remedies against the Purchasers under the Pledge Agreement referred to in Section 22 below.

20.3 Appointment of Receiver. If an event of default shall occur and be continuing, then upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Seller, the Seller to the extent permitted by law and without regard to the value or occupancy of the security, shall be entitled as a matter of right to the appointment of a receiver to enter upon and take possession of the Recreation Area. The receiver shall collect all rents, revenues, issues, income, products and profits thereof, pending such proceedings and apply the same as the Court may direct. The receiver shall have all the rights and powers permitted under the laws of Florida and such other powers as the Court making such appointment shall confer.

20.4 Miscellaneous. The expenses, including receiver's fees, attorney's fees, appellate attorney's fees and costs incurred pursuant to the powers herein contained, shall be secured by this Agreement. All of Seller's rights and remedies provided hereunder or afforded by law, including, without limitation, the right to enter and take possession of, to manage and operate the Recreation Area, to collect the rents, issues, and profits thereof, whether by a receiver or otherwise, shall be cumulative and may be exercised concurrent with any other such right or remedy or independently thereof. Seller shall be liable to account only for such rents, issues and profits actually received by Seller. Notwithstanding the appointment of any receiver, trustee, or other custodian, the Seller shall be entitled as pledgee to the possession and control of any cash, or other instruments at the time held by, or payable or deliverable under the terms of this Agreement to the Seller.

20.5 Cross-Default. The obligations of Purchaser under this Agreement and under the Recreation Area Management Agreement shall be taken together as if imposed by a single agreement, and any default by Purchaser under either of said agreements shall

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be deemed a default under the other agreement, and the other parties to said agreements shall be entitled to any and all remedies provided therein or at law.

20.6 Attorney's Fees and Costs. In any proceeding arising by reason of an alleged failure of the Purchaser to perform any of its duties and obligations pursuant to the provisions hereof, or by reason of an alleged breach of any of the provisions, conditions or covenants of this Agreement or by reason of any default in the payment of any monies or sums due or becoming due under the terms and provisions hereof, or by reason of any action by the Seller to require the Purchaser to comply with its duties and obligations hereunder, the Seller shall, in the event it shall prevail in such action, be entitled to recover its reasonable attorney's fees and appellate attorney's fees incurred, together with all costs, including those not normally allowable in actions at law, such as, but not limited to, copies of depositions, whether or not used at trial, travel expenses for witnesses traveling from without Palm Beach County for the purpose of testifying at trial or deposition; expert witnesses' fees for testifying at trial or deposition; together with such additional fees as the expert witnesses may charge the Seller in connection with his preparation for giving such testimony; and witness subpoenas issued to insure the presence of witnesses at depositions or at trial whether or not the witness shall actually appear or be called upon to testify. In the event of any dispute or litigation between the Seller and the Purchaser in connection with any alleged breach or default upon the part of the Purchaser wherein the Seller deems it advisable or necessary to retain the services of an attorney, and which is settled prior to a judicial determination of the issue, or prior to litigation, by the Purchaser otherwise complying with the demands of the Seller as to the Purchaser's duties and obligations under the terms of this Agreement, the Purchaser will be deemed to have prevailed in such dispute or controversy, and to be entitled to the recovery of his reasonable attorney's fees incurred in connection therewith.

21. Seller's Default.

If Seller defaults in performance of the conditions and covenants ofthis Agreement, Purchaser's sole and exclusive remedy shall be a suit for specific performance or injunctive relief.

22. Duty of Purchaser to Pay; Pledge Agreement.

The Purchaser shall execute a Pledge Agreement in the form annexed hereto as Exhibit D, at or prior to conveyance of the Unit to Purchaser in order to further evidence and secure each Purchaser's obligations hereunder. Upon subsequent transfer of title to the Unit by Purchaser to a transferee who has been approved by the Condominium association and Seller or its designee and who assumes the Pledge Agreement pertaining to such Unit, the transferor shall be relieved from all further liability thereunder. Acceptance of a deed or other instrument of conveyance which contains language to the effect that the transferee assumes the Pledge Agreement shall be deemed a sufficient assumption to release the transferor from liability.

23. Receipt for Full Payment.

Upon full payment by a Purchaser of the purchase price, and upon payment of such funds to Seller, Seller shall deliver to said Purchaser a receipt therefor, in recordable form, reflecting that payment has been made in full in connection with the purchase price of the Recreation Area.

24. Future Decisions.

After closing and delivery of the Warranty Deed, all decisions concerning the sale, leasing, financing, reconstruction, renovation, repair, management or operation of the Recreation Area shall be

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determined in accordance with the then existing management agreement or in the event said management agreement does not provide, by approval and consent of more than seventy-five (75%) percent of the members of the Master Association.

25. Suits to Protect the Recreation Area.

The Seller shall have power to: (a) institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Recreation Area by any acts which may be unlawful or in violation of this Agreement; (b) preserve and protect its interest in the Recreation Area and in the income, revenue, rents and profits arising therefrom; legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the Recreation Area or be prejudicial to the interest of the Seller.

26. Easements.

26.1 Creation and Relocation. During the term of this Agreement, the Recreation Area shall be subject to, and, if requested, Purchaser shall, without cost or expense to Seller or other Co-Tenants, join in the creation of, all easements as from time to time and at any time requested by Seller, in its sole discretion, for the purpose of providing reasonable drainage, utilities, ingress, egress and service for the construction of additional recreational facilities and for any other uses of the Recreation Area herein provided. Seller's rights hereunder shall include the right to dedicate such easement and license areas and relocate and change the dimensions of same, without the consent and approval of Purchaser, and the foregoing shall not entitle Purchaser to any abatement or reduction in the sums due hereunder nor entitle Purchaser to avoid any other obligations hereunder. Purchaser hereby designates Seller as its attorney-in-fact, with full power of substitution, for the purpose of joining in the aforesaid easements.

26.2 Reserved Traffic Easements. The Seller specifically reserves unto itself, and to all those claiming by, through and under Seller, an easement for pedestrian and vehicular traffic over, through, and across sidewalks, paths, walks, halls, lobbies, and other portions of the Recreation Area as may be from time to time intended and designated for such purpose and use for vehicular and pedestrian traffic; provided, further, that nothing shall be construed to give or create in any person the right to park upon any portion of the Recreation Area except to the extent that same may be specifically designated and assigned for parking purposes. An easement is further hereby reserved, subject to such conditions as Seller may from time to time impose, in favor of all Owners of Units at the Development for all of the aforesaid uses.

27. Rights Granted to Seller.

27.1 Development of Development. Until the Seller, or anyone claiming by, through or under Seller shall have completed development, promotion and sale of all Units to be located at the Development, Seller or anyone claiming by, through or under Seller shall have the following rights with regard to the Recreation Area notwithstanding any other provisions of this Agreement to the contrary:

(a) The right to use and occupy exclusively, without cost or expense to Seller, any portion of the Recreation Area for sales, promotional or administrative purposes, provided that Seller shall not use more than 5,000 square feet of interior floor area in the clubhouse unless the same may be reasonably required.

(b) The right to lease, concession or enter into agreements or franchises with any other persons, firms or entities for use of portions of the Recreation Area for such purposes and upon such terms as Seller shall determine in its own discretion, to provide facilities and services for the Development, provided Seller shall not lease more than ten (10%) percent of the total interior floor area of the main clubhouse for commercial purposes.

(c) The right to use, occupy and demonstrate, on a non-exclusive basis, all of the Recreation Area for the purpose of promotion and aiding in the sale or rental of the units on or to be constructed at the Development.

(d) The right in its sole discretion to add additional facilities or improvements to, and to alter, modify and remodel the Recreation Area and Seller shall be the sole judge as to the size, contents, design, style, plans and specifications of all such additional facilities or improvements, alterations or modifications, and the equipment and personalty contained therein; and Seller shall also have the right in its sole discretion to add additional lands to the Recreation Area. All such additional lands and improvements shall, upon designation by Seller, be deemed part of the Recreation Area and subject to all of the terms and provisions hereof, and Purchaser shall be obligated to pay its proportionate share of all taxes, assessments, insurance, utilities, maintenance, management fees, reserves, if any, for capital repairs, refurbishing and any other capital expenditures and other expenses of operation of such additions as if they were a portion of the original Recreation Area, provided same shall not increase or otherwise affect Purchaser's obligation to pay the purchase price reserved hereunder. In the event Seller decides to construct such additional improvements, Seller shall also have the right to record such instruments in the Public Records of Palm Beach County, Florida, as are necessary for the construction provided that title is delivered in accordance with Section 5 in the Individual Agreement for Deed.

(e) The right to own, install, provide and maintain a closed circuit television system, telecommunications system, master antenna system, and related ancillary services and to the equipment including but not limited to conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment both active and passive (the "Central System") in and upon the Recreation Area and a perpetual easement for the placement and location of the Central System including, but not limited to conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment, both active and passive, and (ii) a perpetual easement for ingress to and egress from the Recreation Area to service, maintain, install, repair and replace the aforesaid apparatus and equipment; and (iii) the right to connect the Central System to such receiving source as Seller may in its sole discretion deem appropriate, including, without limitation, companies licensed to provide the CATV service in Palm Beach County, for which service Seller, its successors and assigns or designees shall have the right to charge the Master Association and/or individual Unit Owners a reasonable fee not to exceed the maximum allowable charge for CATV service to single family residences as charged within the general vicinity.

27.2 Term of Agreement. During the term of this Agreement, Seller shall have the following rights with regard to the Recreation Area notwithstanding any other provisions of this Agreement to the contrary:

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(a) The right, without being obligated to do so, to bring suit for specific performance or other injunctive relief against the Management Firm then operating and managing the Recreation Area or the right to sue for cancellation of any such Management Agreement in the event of the Management Firm's misfeasance.

(b) The right to enter upon and inspect the Recreation Area and any portion thereof.

27.3 Limitation. All of the foregoing rights of Seller shall be exercised in a reasonable manner, and Seller shall endeavor to minimize the inconvenience to Purchaser and its members as much as practicable, but nothing herein contained shall serve in any way to reduce Purchaser's obligations for all payments due under this Agreement and for the full and faithful performance of all its covenants and obligations hereunder.

28. Recreation Area Association. In the event of a default on the part of a purchasing condominium association, such that said purchasing condominium association is not entitled to conveyance of an undivided share of the Recreation Area, those Unit Owners of said purchasing condominium association who have made full and timely payment of all sums due the condominium association for their prorata share of the purchase price shall be entitled to membership in a special Recreation Area Association to be organized and created by Seller prior to closing and delivery of the Warranty Deed. The Recreation Area Association shall be a Florida corporation not for profit, created solely to hold title to an undivided interest in the Recreation Area for the benefit of those condominium Unit Owners set forth above. Membership in the special Recreation Area Association will not be transferable apart from conveyance of a Unit located at the Development. At closing, the said Recreation Area Association shall be entitled to an undivided interest in the Recreation Area on the same basis with all other purchasing condominium associations.

29. Covenants Running With the Lands; Survival.

The terms, conditions, provisions, covenants and agreements set forth in this Agreement shall be binding upon Seller and Purchaser(s), their respective heirs, legal representatives, successors and assigns, and shall be deemed to be covenants running with the land affected hereby. All of the covenants, conditions and agreements set forth in this Agreement shall survive the closing and delivery of the Warranty Deed.

30. Florida Law.

It is intended by the parties that this Agreement be construed and enforced under the laws of the State of Florida.

31. Prorations.

Inasmuch as the Purchaser is now liable under this Agreement for the payment of its proportionate share of taxes, insurance premiums and other costs and expenses of the Recreation Area, there shall be no prorations between Seller and Purchaser.

32. Costs.

Purchaser agrees and shall be obligated at any time and at time of closing to pay for all closing costs, including but not limited to all costs of preparation of the Warranty Deed and other instruments of conveyance and all costs of State documentary stamps due on the Deed and this Agreement and the recording of said Deed and this Agreement and Exhibits to same.

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33. Modifications.

Neither this Agreement nor the terms or provisions hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing properly executed by the party against whom enforcement of the change, waiver, discharge or termination is sought; provided, however, that Seller may make minor changes, deletions, additions and amendments to this Agreement prior to recordation for the purpose of correcting typographical errors, complying with the requirements of a construction lender, or for other reason provided, further, such deletion, addition or amendment shall not materially affect the rights of Purchaser in an adverse manner.

34. Notice.

34.1 To Purchaser. Any notice, demand or other instrument authorized or required by this Agreement to be served on or given to the Purchaser shall be deemed properly delivered if, in writing, and mailed in a postage paid envelope by certified mail, to Purchaser at the Unit or at such other address or addresses as may have been furnished in writing to Seller by the Purchaser.

34.2 To Seller. Any notice, demand or other instrument authorized or required by this Agreement to be served or given to the Seller shall be deemed properly delivered if, in writing, and mailed in a postage paid envelope, by certified mail, to Seller at 700 N. W. 107 Avenue, Miami, Florida 33172, or at such other address or addresses as may have been furnished in writing to the Purchaser by the Seller.

35. Headings.

The headings of the Sections and subsections of this Agreement are for convenience of reference only, and are not to be considered a part hereof, and shall not limit or otherwise affect any of the terms hereof.

36. Invalid Provisions to Affect No Others.

In case any one or more of the covenants, agreements, terms or provisions contained in this Agreement, or any portions thereof, shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions, or portions thereof, contained herein, shall be in no way affected, prejudiced or disturbed thereby.

37. Successors, Assigns Included in Parties.

Whenever, in this Agreement, one of the parties hereto is named or referred to, the successors and assigns of such party shall be included and all covenants and agreements contained in this Agreement by or on behalf of the Purchaser or by or on behalf of the Seller, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not. This Agreement shall not be assigned by the Purchaser without the prior written approval of the Seller, except that the Purchaser may assign its rights hereunder to the Condominium association without the consent of the Seller, but shall be freely assignable or transferable, in whole or in part, by the Seller. All costs associated with the recording of said assignment by Purchaser, including without limitation, documentary stamps, if applicable, shall be borne by Purchaser.

38. Waiver of Rights.

The failure of the Seller to enforce any covenants, obligations, or agreements of the Purchaser herein contained shall not constitute a waiver of the right to enforce any other covenant, obligation or agreement herein contained.

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39. Estoppel Statements.

Purchaser shall furnish estoppel statements from time to time upon the request of the Seller stating either that there are no defaults hereunder by Seller by specifying any such defaults. The failure of Purchaser to deliver an estoppel letter to Seller within fifteen (15) days from the date of a request by Seller shall be a conclusive acknowledgment by Purchaser that Seller is not in default of this Agreement.

40. Entire Agreement.

This Agreement, the Exhibits annexed hereto, and the Pledge Agreement, constitute the entire agreement between the parties, and neither party has been induced by the other by representations, promises or understandings not expressed in said documents or herein, and there are no other collateral agreements, stipulations, promises or understandings whatsoever in any way touching the subject matter of this Agreement, which are not expressly contained in said documents or herein. Seller's only obligations shall be those expressly set forth in said documents or herein, and no other obligations are to be implied hereby.

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INDIVIDUAL

AGREEMENT FOR DEED

THIS AGREEMENT, made and entered into this _____ day of _____, 19__, by and between Lennar Homes, Inc., a Florida corporation (the "Seller") and _____ (the "Purchaser").

INTRODUCTION

Seller is the fee simple title owner to that certain Recreation Area located at The Lakes of Delray Development, near Delray Beach, Florida (the "Development") as hereinafter described, and Purchaser is the Purchaser of Unit _____ ("Unit") in Ashland Condominium A (the "Condominium"), according to the Declaration of Condominium thereof which Declaration of Condominium is recorded in Official Records Book _____ at Page ___ of the Public Records of Palm Beach County, Florida, a condominium existing at the Development. Seller has heretofore offered to sell an undivided interest in and to the "Recreation Area" herein described to various condominium associations (and homeowner's associations, if any) located at the Development and to various condominium unit owners and other dwelling unit owners other than condominium units in the Development, and pursuant to such an offer made by Seller to Purchaser, Purchaser has agreed to buy an undivided interest in the Recreation Area on the terms and conditions set forth below.

Purchaser understands that its right to use and possession of the Recreation Area is not exclusive, but is to be shared with various condominium associations (and homeowner associations, if any) and other unit owners in various condominiums and other dwelling units other than condominium units in the Development presently existing and hereafter created at the Development, and Purchaser further understands that its interest in and to the Recreation Area during the term of this Agreement will be equitable in nature with legal title remaining vested in Seller. The parties acknowledge that the percentage of Purchaser's ownership interest in the Recreation Area will depend upon the number of condominium and/or other residential dwelling Units existing at the Development at the time of conveyance of legal title, and therefore, the exact percentage cannot be determined until that time. Purchaser shall divest itself of any interest deemed vested in the Purchaser hereunder to the extent necessary to provide any future purchasing entities or persons with the appropriate undivided shares in the Recreation Area. Reference to Unit(s) herein and in the Condominium Documents mean condominium Units and residential dwelling Units other than condominium Units, and reference to Unit Owner(s) means owner(s) of condominium Units and residential dwelling Units other than condominium Units.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties intending to be legally bound, hereby agree that, if the Purchaser shall first make all the payments and perform all the covenants and conditions hereinafter mentioned on Purchaser's part to be made and performed, Seller hereby covenants and agrees to convey to the Purchaser an undivided interest in and to the Recreation Area hereinafter described by a good and sufficient Special Warranty Deed, (sometimes also referred to herein as "Warranty Deed") on the terms and conditions herein set forth and the terms and conditions of that certain Supplemental Provisions to Individual Agreement for Deed recorded in O. R. Book _____ at Page _____ of the Public Records of Palm Beach County, Florida, which said terms and conditions are annexed hereto by reference and shall have the same force and effect as if set forth at length herein:

1. Introduction; Definitions.

The parties hereby acknowledge that the recitals contained in the foregoing Introduction, are true and correct and are incorporate herein in full by this reference. The terms used in this Agreement shall have the same definitions and meanings as those set forth in the Declaration of Condominium, unless herein provided to the contrary, or unless the context otherwise requires.

2. Description of Recreation Area.

2.1 Description. The Recreation Area referred to herein is situated in The Lakes of Delray Development, located near Delray Beach, Palm Beach County, Florida, and is more particularly described in Exhibit "1" annexed hereto and made a part hereof, and this Exhibit, as well as all other Exhibits mentioned in the Supplemental Provisions to Individual Agreement for Deed, as annexed thereto, shall have the same force and effect as though the contents of such Exhibits were set forth at length herein.

2.2 Percentage Interest. At closing, Seller shall convey to Purchaser an undivided fee simple interest in the Recreation Area equal to a fraction of the total interior floor area of his unit divided by the total amount of interior floor area of all of the condominiums in the exiting development. Purchaser's interest in the Recreation Area shall be as a tenant-in-common with various purchasing condominium associations (and homeowner associations, if any) and various Unit Owners at the Development and with the Seller.

3. Purchase Price and Method of Payment.

3.1 Purchaser's Payments. The total agreed purchase price for the undivided interest in the Recreational Area described herein is Four Thousand Eight Hundred Dollars.

The total purchase price shall bear interest at the rate of 9.875% percent per annum and shall be payable (except as otherwise provided herein to the contrary in Section 8 of the Supplemental Provisions to Individual Agreement for Deed) at the time and in the manner following:

Three hundred sixty (360) consecutive equal monthly installments of principal and interest each in the amount of $ 41.68 , payable on the first day of the month following the month in which closing of title to the first Unit in the Condominium occurs, and on the first day of each and every calendar month thereafter ensuing until the total principal sum is paid in full. Each of the payments shall be credited first to interest and the balance to principal.

3.2 Prepayment. Subject to the limitation set forth in the Supplemental Provisions to Individual Agreement for Deed, the purchase price may be prepaid by the Purchaser in whole or in part at any time without penalty. A Purchaser shall have the right to prepay the purchase price provided that he has made all payments thereto before due and owing to Seller, and provided further that such prepayment is made in full. Purchaser shall not have the right to make partial prepayments.

4. Conveyance.

4.1 Manner of Conveyance. At closing, and provided Purchaser has paid the total agreed purchase price and has otherwise fully and faithfully performed the covenants and conditions of this Agreement for Purchaser to perform as herein specified, then Seller shall convey to the Purchaser its proportionate undivided interest in the title to the real property described in Section 2.1 above by Special Warranty Deed, subject to the following:

(a) Taxes and assessments for the year of closing and subsequent years;

(b) Applicable zoning ordinances, rules and regulations;

(c) Conditions, restrictions, limitations, reservations and easements of record (a schedule of those matters affecting

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title as to the date hereof is annexed hereto as Exhibit "2");

(d) Declaration of Condominium for Ashland Condominium A, all Exhibits annexed thereto, and all Amendments thereof;

(e) Any encroachments, easements, measurements, variations in area or content, party walls or other facts which a correct survey of the subject proper would show;

(f) Any documentation common to condominiums and/or other residential units located at the Development; and

(g) Rights of other parties entitled to use and possession of the Recreation Area.

The same proportional interest in the personal property shall be conveyed to Purchaser at closing by Bill of Sale.

4.2 Condition of Property. All of the property being sold hereunder, whether real or personal, replacement or original, is being sold and shall be conveyed "as is" without any representation or warranty as to its condition now or at closing.

4.3 Closing. Notwithstanding prepayment of the purchase price by Purchaser, the closing and transfer of the legal title hereunder shall be held thirty (30) years from December 13, 1982, the date the Certificate of Occupancy was issued for the Clubhouse.

5. Title.

Seller represents and warrants that it is the fee simple title owner of the Recreation Area subject only to the exceptions set forth in Section 4.1 above and the interests of all purchasing associations at the Development.

5A. Pledge Agreement.

The Purchaser has executed a Pledge Agreement which is annexed hereto as Exhibit "D", which has been given to Seller by Purchaser to further evidence and secure Purchaser's obligation hereunder. Upon subsequent transfer of title to the Unit by Purchaser to a transferee who has been approved by the Condominium Association and Seller or its designee and who assumes the Pledge Agreement pertaining to such Unit, the transferor shall be relieved from all further liability thereunder. Acceptance of a deed or other instrument of conveyance which contains language to the effect that the transferee assumes the Pledge Agreement shall be deemed a sufficient assumption to release the transferor from liability.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as provided by law, on this, the day, month and year first above written.

Signed, sealed and delivered in the presence of:

LENNAR HOMES, INC.

_____

By: _____
M. E. Saleda, Vice President

_____
As to Seller

Attest: _____
Morris J. Watsky
Assistant Secretary

_____

_____
(Purchaser)

_____
As to Purchaser

_____
(Purchaser)

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STATE OF FLORIDA
COUNTY OF DADE

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by M. E. Saleda and Morris J. Watsky, the Vice President and Assistant Secretary, respectively, of LENNAR HOMES, INC., a Florida corporation, on behalf of the Corporation. They are personally known to me and did not take an oath.

_____
Name:
Notary Public, State of Florida

My Commission Expires:

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this _____day _____, 19_____, by _____ and _____, who is/are (personally known to me)/who have produced _____(type of identification), as identification and did/did not take an oath.

_____
Notary Public, State of Florida

My Commission Expires:

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ASSIGNMENT

KNOWN ALL MEN BY THESE PRESENTS:

That (I/We) _____

part(y)(ies) of the first part, in consideration of the sum of Ten and 00/100 Dollars and other valuable consideration, received from or on behalf of Ashland Condominium A Association, Inc. party of the Second Part, at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, do hereby grant, bargain, sell, assign, transfer and set over unto the said part of the second part my/our right, title and interest granted in that certain Individual Agreement for Deed recorded in Official Records Book _____, Page _____, Public Records of Palm Beach County, Florida, to an undivided interest in the following described piece or parcel of land, situate and being in said County and State, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

and hereby direct Lennar Homes, Inc. and its successors and assigns to convey my/our undivided interest in the above-described piece or parcel of land to the party of the second part.

TO HAVE AND TO HOLD the same unto the said party of the second part, its heirs, legal representatives, successors and assigns forever.

IN WITNESS WHEREOF, I/We have hereunto set my/our hand(s) and seal(s) this _____ day of _____, 19____.

Signed, sealed and delivered
in the presence of:

_____ _____
(Unit Owner)

_____ _____
(Unit Owner)

STATE OF FLORIDA
county of _____

The foregoing instrument was acknowledged before me this ____ day of _____ _____, 19_____ by _____ and _____. They are personally known to me/have produced _____(type of identification) as identification and did/did not take an oath.

_____
Notary Public, State of Florida at Large

My Commission Expires:

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LEGAL DESCRIPTIONS
FOR
COMMON LAND AREAS

The following legal descriptions reflect the boundaries of the recreation tracts, water management tracts, natural preserve and main roadways within the Lakes of Delray development. All parcels of land are being in a portion of the Southwest 1/4 of Section 14, and all of the Northwest 1/4 of Section 23, Township 46 South, Range 42 East, in Palm Beach County, Florida.

RECREATION TRACTS

Recreation Tract No. 1

All of Recreation Tract No. 1, as shown on Plat No. One, Lakes of Delray, as recorded in Plat Book 42, Pages 46 and 47, Public Records of Palm Beach County, Florida; AND

A tract of land as shown on the future Plat No. Three, Lakes of Delray, and more particularly described as follows:

BEGINNING at the Northeast corner of said Recreation Tract No. 1, and the South right-of-way line of Lakes of Delray Boulevard as shown on said Plat No. One, Lakes of Delray; thence run S. 68°-00'-00" E., along the South right-of-way line of Lakes of Delray Boulevard, a distance of 20.00 feet to a point; thence run S. 22°-00'-00" W., a distance of 143.58 feet to a point on the East plat line of said Plat No. One, Lakes of Delray; thence run N. 00°-05'-05" E., along said plat line, a distance of 53.59 feet to a point; thence run N. 22°-00'-00" E., along said plat line, a distance of 93.86 feet to the POINT OF BEGINNING.

Recreation Tract No. 2

All of Recreation Tract No. 2, as shown on Plat No. One, Lakes of Delray, as recorded in Plat Book 42, Pages 46 and 47, Public Records of Palm Beach County, Florida; AND

A tract of land as shown on the future Plat No. Two, Lakes of Delray, and more particularly described as follows:

BEGINNING at the Southwest corner of said Recreation Tract No. 2 as shown on said Plat No. One, Lakes of Delray; thence run S. 88°-23'-20" E., along the South plat line of said Plat No. One, Lakes of Delray, a distance of 221.82 feet to a point on the West right-of-way line of Lakes of Delray Boulevard, said point being on a curve concave to the East, having a radius of 240.00 feet and a central angle 35°-41'-18"; thence run Southerly and Southeasterly along the arc of said curve a distance of 149.49 feet to a point on said curve; thence run N. 88°-23'-20" W., parallel with the South line of said Plat No. One, Lakes of Delray, a distance of 214.18 feet to a point; thence run N. 33°-15'-09" W., a distance of 151.32 feet to the POINT OF BEGINNING.

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Recreation Tract No. 3
COMMENCING at the Center of said Section 23, T46S, R42E; thence run N. 89°-23'-20" W., along the East-West Quarter-Section line, a distance of 70.02 feet to a point; thence run N. 00°-19'-58" E., along the West right-of-way line of the L.W.D.D. E-3 Canal, a distance of 894.94 feet to a point; thence run N. 89°-40'-02" W., at right angles to the preceding course, a distance of 408.46 feet to the POINT OF BEGINNING; thence continue N. 89°-40'-02" W., a distance of 140.00 feet to a point on the East right-of-way line of Lakes of Delray Boulevard; thence run S. 02°-26'-03" E., along the said East right-of-way line, a distance of 64.61 feet to the point of curvature of a curve concave to the West, having a radius of 300.00 feet and a central angle of 26°-36'-02"; thence run Southerly and Southwesterly along the arc of said curve a distance of 139.28 feet to a point on said curve; thence run S. 65°-50'-01" E., a distance of 105.14 feet to a point; thence run S. 33°-00'-00" E., a distance of 120.00 feet to a point; thence run N. 00°-19'-58" E., a distance of 342.99 feet to the POINT OF BEGINNING.

The total land area of all Recreation Tracts contain 8.7835 acres of land, more or less.

WATER MANAGEMENT TRACTS

Water Management Tracts at the Entrance Roadway
Both of the Water Management Tracts in that portion of the Southwest 1/4 of Section 14, T46S, R42E, as shown on Plat No. One, Lakes of Delray, as recorded in Plat Book 42, Pages 46 and 47, Public Records of Palm Beach County, Florida.

Water Management Tract No. W-1
All of Water Management Tract No. W-1, as recorded on said Plat No. One, Lakes of Delray.

Water Management Tract No. W-2
All of Water Management Tract No. W-2, as recorded on said Plat No. One, Lakes of Delray.

Water Management Tract No. W-3
A tract of land as shown on the future Plat No. Two, Lakes of Delray, and more particularly described as follows:
BEGINNING at a point 20.01 feet East of the Southwest corner of said Plat No. One, Lakes of Delray; thence run S. 88°-23'-20" E., along the South line of said Plat No. One, Lakes of Delray, a distance of 356.47 feet to a point; thence run S. 33°-15'-09" E., a

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distance of 151.32 feet to a point; thence run S. 01°-36'-40" W., a distance of 350.26 feet to a point; thence run N. 88°-23'-20" W., a distance of 430.33 feet to a point; thence run N. 00°-05'-05" E., parallel to the West line of said Section 23, a distance of 474.58 feet to the POINT OF BEGINNING.

Water Management Tract No. W-4

A tract of land as shown on the future Plat No. Two, Lakes of Delray, and more particularly described as follows:
COMMENCING at the West Quarter-Corner of said Section 23; thence run N. 00°-05'-05" E., along the West line of said Section 23, a distance of 10.01 feet to a point on the North right-of-way line of the L.W.D.D. L-35 Canal; thence run S. 88°-23'-20" E., along said North right-of-way line, a distance of 1,167.90 feet to the POINT OF BEGINNING; thence run N. 01°-36'-40" E., a distance of 198.17 feet to a point; thence run N. 88°-23'-20" W., a distance of 459.68 feet to a point; thence run N. 01°-36'-40" E., a distance of 49.47 feet to a point; thence run N. 76°-58'-09" E., a distance of 428.81 feet to a point; thence run N. 31°-58'-09" E., a distance of 70.71 feet to a point; thence run N. 13°-01'-51" W., a distance of 153.17 feet to a point on the South right-of-way line of Lakes of Delray Boulevard, thence run N. 76°-58'-09" E., along said South right-of-way line, a distance of 47.55 feet to the point of curvature of a curve concave to the South, having a radius of 345.00 feet and a central angle of 13°-56'-25"; thence run Easterly along the arc of said curve a distance of 83.94 feet to a point on said curve; thence run S. 00°-54'-34" W., a distance of 148.20 feet to a point; thence run S. 36°-36'-44" E., a distance of 79.31 feet to a point; thence run S. 74°-08'-03" E., a distance of 423.97 feet to a point; thence run S. 00°-49'-43" W., a distance of 76.15 feet to a point; thence run N. 88°-23'-20" W., a distance of 450.58 feet to a point; thence run S. 01°-36'-40" W., a distance of 197.41 feet to a point on the North right-of-way line of said L-35 Canal; thence run N. 88°-23'-20" W., along said North right-of-way line of L-35 Canal, a distance of 93.47 feet to the POINT OF BEGINNING.

Water Management Tract No. W-5

A tract of land as shown on the future Plat No. Two, Lakes of Delray, and more particularly described as follows:
COMMENCING at the Center of said Section 23, thence run N. 88°-23'-20" W., along the East-West Quarter-Section line, a distance of 70.02 feet to a point; thence run N. 00°-19'-58" E., along the West right-of-way line of the L.W.D.D. E-3 Canal, a distance of 894.94 feet to a point; thence run N. 89°-40'-02" W., at right angles to the preceding course, a distance of 80.00 feet to the POINT OF BEGINNING; thence run S. 00°-19'-58" W., parallel to the said West right-fo-way line of the E-3 Canal, a distance of 267.07 feet to

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a point; thence run N. 89°-40'-02" W., a distance of 198.17 feet to a point; thence run S. 00°-19'-58" W., a distance of 398.48 feet to a point; thence run N. 88°-23'-20" W., a distance of 442.59 feet to a point; thence run N. 57°-00'-00" E., a distance of 358.67 feet to a point; thence run N. 12°-00'-00" E., a distance of 61.87 feet to a point; thence run N. 00°-19'-58" E., a distance of 342.99 feet to a point; thence run S. 89°-40'-02" E., a distance of 328.46 feet to the POINT OF BEGINNING.

Water Management Tract No. W-6

All of Water Management Tract No. W-6, as shown on said Plat No. One, Lakes of Delray; AND

A tract of land as shown on the future Plat No. Three, Lakes of Delray, and more particularly described as follows:

BEGINNING at the Southeast corner of Water Management Tract No. W-6, as shown on said Plat No. One, Lakes of Delray, also being the Southeast corner of said plat; thence run N. 00°-05'-05" E., along the East plat line of said plat, a distance of 986.52 feet to a point; thence run N. 22°-00'-00" E., a distance of 143.58 feet to a point on the South right-of-way line of Lakes of Delray Boulevard; thence run S. 68°-00'-00" E., along the said South right-of-way line, a distance of 65.57 feet to a point; thence run S. 15°-05'-51" E., a distance of 501.25 feet to a point; thence run N. 74°-54'-09" E., a distance of 207.50 feet to a point; thence run N. 17°-14'-59" E., a distance of 93.45 feet to a point; thence run N. 74°-54'-09" E., a distance of 394.34 feet to a point on the West right-of-way line of Lakes of Delray Boulevard, said point on a curve concave to the West, having a radius of 190.74 feet and a central angle of 08°-50'-24"; thence run Southerly along the arc of said curve a distance of 29.43 feet to the point of tangency of said curve; thence run S. 04°-11'-15" W., along said West right-of-way line, a distance of 159.48 feet to a point; thence run S. 74°-54'-09" W., a distance of 591.62 feet to a point; thence run S. 15°-05'-51" E., a distance of 386.38 feet to a point; thence run N. 74°-54'-09" E., a distance of 477.73 feet to a point on the West right-of-way line of Lakes of Delray Boulevard; thence run S. 02°-26'-03" E., along the said West right-of-way, a distance of 109.80 feet to a point; thence run S. 74°-54'-09" W., a distance of 241.39 feet to a point; thence run S. 02°-26'-03" E., a distance of 197.63 feet to a point; thence run N. 74°-08'-03" W., a distance of 430.78 feet to a point; thence run S. 15°-51'-57" W., a distance of 217.86 feet to a point on the North right-of-way lane of Lakes of Delray Boulevard, said point on a curve concave to the South, having a radius of 425.00 feet and a central angle of 12°-38'-59"; thence run Westerly along the arc of said curve a distance of 93.83 feet to a point on said curve; thence run N. 13°-01'-51" W., a distance of 210.11 feet to the POINT OF BEGINNING.

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Water Management Tract No. W-7

A tract of land as shown on the future Plat No. Four, Lakes of Delray, and more particularly described as follows:
COMMENCING at the Center of said Section 23; thence run N. 88°-23'-20" W., along the East-West Quarter-Section line, a distance of 70.02 feet to a point; thence run N. 00°-19'-58" E., along the West right-of-way line of the L.W.D.D. E-3 Canal, a distance of 1,777.62 feet to a point; thence run N. 89°-40'-02" W., at right angles to the preceding course, a distance of 80.00 feet to the POINT OF BEGINNING; thence continue N. 89°-40'-02" W., a distance of 465.45 feet to a point on the East right-of-way line of Lakes of Delray Boulevard, said point on a curve concave to the Southwest, having a radius of 270.74 feet and a central angle of 32°-08'-28"; thence run Northerly and Northwesterly along the arc of said curve a distance of 151.87 feet to a point on said curve; thence run N. 52°-06'-14" E., a distance of 61.64 feet to a point; thence run N. 08°-23'-45" E., a distance of 397.67 feet to a point; thence run S. 88°-36'-15" E., a distance of 166.20 feet to a point; thence run S. 00°-19'-58" W., a distance of 331.17 feet to a point; thence run S. 89°-40'-02" E., a distance of 251.61 feet to a point; thence run S. 00°-19'-58" W., a distance of 126.45 feet to the POINT OF BEGINNING.

Water Management Tract No. W-8

A tract of land as shown on the future Plat No. Four, Lakes of Delray, and more particularly described as follows:
BEGINNING at the Northeast plat corner of said Plat No. One, Lakes of Delray, said corner being on the North right-of-way line of Lakes of Delray Boulevard and the northerly extension of the East line of the Recreation Tract No. 1 of said plat; thence run S. 68°-00'-00" E., along the North right-of-way line of Lakes of Delray Boulevard, a distance of 73.50 feet to a point; thence run N. 37°-00'-00" E., a distance of 187.20 feet to a point; thence run N. 60°-00'-00" E., a distance of 109.83 feet to a point; thence run S. 88°-36'-15" E., a distance of 150.00 feet to a point; thence run N. 08°-23'-45" E., a distance of 150.00 feet to a point; thence run N. 88°-36'-15" W., a distance of 417.91 feet to a point; thence run N. 01°-23'-45" E., a distance of 206.97 feet to a point on the South right-of-way line of the L.W.D.D. L-34 Canal; thence run N. 88°-36'-15" W., along the said South right-of-way line, a distance of 60.21 feet to a point; thence run S. 01°-23'-45" W., a distance of 206.97 feet to a point; thence run N. 88°-36'-45" W., a distance of 397.45 feet to a point; thence run S. 31°-36'-15" E., a distance of 366.69 feet to a point on the North right-of-way line of Lakes of Delray Boulevard, said point on a curve concave to the South, having a radius of 471.356 feet and a central angle of 29°-09'-52"; thence Easterly and Southeasterly along the arc of said curve a

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distance of 239.93 feet to the POINT OF BEGINNING.

The total land area of all Water Management Tracts contain 40.5214 acres of land, more or less.

NATURAL HAMMOCK

Natural Preserve Tract

A tract of land as shown on the future Plat No. Four, Lakes of Delray, and more particularly described as follows:
COMMENCING at the Northeast plat corner of said Plat No. One, Lakes of Delray, said corner being on the North right-of-way line of Lakes of Delray Boulevard and the northerly extension of the East line of the Recreation Tract No. 1 of said plat; thence run S. 68°-00'-00" E., along the North right-of-way line of Lakes of Delray Boulevard, a distance of 73.50 feet to the POINT OF BEGINNING; thence continue S. 68°-00'-00" E., along said North right-of-way line, a distance of 100.00 feet to the point of curvature of a curve concave to the North, having a radius of 460.00 feet and a central angle of 24°-10'-52"; thence run Easterly along the arc of said curve a distance of 194.15 feet to the point of tangency of said curve; thence run N. 87°-49'-09" E., along the said North right-of-way line, a distance of 35.36 feet to a point; thence run N. 08°-23'-45" E., a distance of 272.97 feet to a point; thence run N. 88°-36'-15" W., a distance of 150.00 feet to a point; thence run S. 60°-00'-00" W., a distance of 109.83 feet to a point; thence run S. 37°-00'-00" W., a distance of 187.20 feet to the POINT OF BEGINNING.

The total land area of this tract contains 1.5793 acres of land, more or less.

ROADWAYS

Lakes of Delray Boulevard

All of Tract "A" as shown on Plat No. One, Lakes of Delray, as recorded in Plat Book 42, Pages 46 and 47, Public Records of Palm Beach County, Florida, AND
A strip of land being 80.00 feet in width, whose centerline is described as follows:
BEGINNING at the centerline intersection of said Tract "A" and the East plat line of said Plat No. One, Lakes of Delray; thence run S. 68°-00'-00" E., a distance of 173.50 feet to the point of curvature of a curve concave to the North, having a radius of 500.00 feet and a central angle of 24°-10'-52"; thence run Easterly along the arc of said curve a distance of 211.02 feet to the point of

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tangency of said curve; thence run N. 87°-49'-09" E., a distance of 237.77 feet to the point of curvature of a curve concave to the Southwest, having a radius of 230.74 feet and a central angle of 96°-22'-06"; thence run Easterly along the arc of said curve a distance of 33.09 feet to Point "B"; thence continue Easterly, Southeasterly and Southerly along the arc of said curve a distance of 355.00 feet to the point of tangency of said curve; thence run S. 04°-11'-15" W., a distance of 356.16 feet to the point of curvature of a curve concave to the East, having a radius of 520.00 feet and a central angle of 06°-37'-18"; thence run Southerly along the arc of said curve a distance of 60.10 feet to the point of tangency of said curve; thence run S. 02°-26'-03" E., a distance of 180.08 feet to Point "C"; thence continue S. 02°-26'-03" E., a distance of 310.00 feet to the point of curvature of a curve concave to the Northwest, having a radius of 260.00 feet and a central angle of 108°-18'-00"; thence run Southerly, Southwesterly and Westerly along the arc of said curve a distance of 423.21 feet to Point "D"; thence continue Westerly along the arc of said curve, a distance of 68.24 feet to the point of tangency of said curve; thence run N. 74°-08'-03" W., a distance of 331.97 feet to the point of curvature of a curve concave to the South, having a radius of 385.00 feet and a central angle of 28°-53'-48"; thence run Westerly along the arc of said curve a distance of 194.17 feet to the point of tangency of said curve; thence run S. 76°-58'-09" W., a distance of 302.63 feet to the point of curvature of a curve concave to the Northeast, having a radius of 200.00 feet and a central angle of 113°-33'-59"; thence run Westerly and Northwesterly along the arc of said curve a distance of 148.01 feet to Point "E"; thence continue Northwesterly and Northerly along the arc of said curve a distance of 248.41 feet to the point of tangency of said curve, said point being also the centerline of Tract "A" and the South plat line of said Plat No. One, Lakes of Delray, and there TERMINATING; AND
BEGINNING at Point "C" previously described; thence run S. 89°-40'-02" E., a distance of 520.26 feet and there TERMINATING.

Pembridge Avenue

A strip of land being 60.00 feet in width, whose centerline is described as follows:
BEGINNING at Point "E" previously described; thence run S. 29°-22'-16" W., a distance of 59.23 feet to the point of curvature of a curve concave to the East, having a radius of 119.01 feet and a central angle of 27°-45'-36"; thence run Southerly along the arc of said curve a distance of 57.66 feet to the point of tangency of said curve; thence run S. 01°-36'-40" W., a distance of 388.15 feet to a point; thence run N. 88°-23'-20" W., a distance of 20.00 feet to the center of a 50-foot radius cul-de-sac, and there TERMINATING.

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Pembridge Drive
A strip of land being 60.00 feet in width, whose centerline is described as follows:
BEGINNING at Point "D" previously described; thence run S. 00°-49'-43" W., a distance of 329.10 feet to the point of curvature of a curve concave to the Northeast, having a radius of 160.00 feet and a central angle of 89°-13'-03"; thence run Southerly, Southeasterly and Easterly along the arc of said curve, a distance of 249.14 feet to the point of tangency of said curve; thence run S. 88°-23'-20" E., a distance of 500.00 feet to a point; thence run N. 01°-36'-40" E., a distance of 20.00 feet to the center of a 50-foot radius cul-de-sac, and there TERMINATING.

Witney Road
A strip of land being 60.00 feet in width, whose centerline is described as follows:
BEGINNING at Point "B" previously described; thence run N. 08°-23'-45" E., a distance of 619.01 feet to Point "F"; and there TERMINATING.

Witney Drive
A strip of land being 60.00 feet in width, whose centerline is described as follows:
BEGINNING at Point "F" previously described; thence run N. 88°-36'-15" W., a distance of 175.00 feet to a point; thence run S. 01°-23'-45" W., a distance of 20.00 feet to the center of a 50-foot radius cul-de-sac, and there TERMINATING; AND
BEGINNING at Point "F" previously described; thence run S. 88°-36'-15" E., a distance of 565.38 feet to a point; thence run S. 01°-23'-45" W., a distance of 20.00 feet to the center of a 50-foot radius cul-de-sac, and there TERMINATING.

Witney Avenue
A strip of land being 60.00 feet in width, whose centerline is described as follows:
BEGINNING at a point on the East right-of-way line of Lakes of Delray Boulevard, said point being 85.81 feet South of the South right-of-way line of the L.W.D.D. L-34 Canal as shown on said Plat No. One, Lakes of Delray; thence run N. 58°-23'-45" E., a distance of 25.00 feet to the point of curvature of a curve concave to the Southeast, having a radius of 113.76 feet and a central angle of 33°-00'-00"; thence run Northeasterly and Easterly along the arc of said curve a distance of 65.52 feet to the point of tangency of said curve; thence run S. 88°-36'-15" E., a distance of 152.81 feet to a point; thence run S. 01°-23'-45" W., a distance of 20.00 feet to the center of a 50-foot radius cul-de-sac, and there TERMINATING.

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Sims Road

A strip of land being 80.00 feet in width, lying along the Easterly side of the Lakes of Delray Development. This strip will be dedicated to the Board of County Commissioners of Palm Beach County, Floride, as public right-of-way. Therefore, it is not considered to be part of the Common Land Areas within the Lakes of Delray Development.

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EXHIBIT "2"

MATTERS AFFECTING TITLE

1. Utility Agreement between Regional Utilities, Inc. and Longmeadow, Inc. dated May 30, 1973, filed in Official Records Book 2227 a Page 1017 of the Public Records of Palm Beach County, Florida.

2. Resolution No. R-72-456 of the Board of County Commissioners of Palm Beach County, Florida, recorded in Official Records Book 2227 at Page 1025, and Agreement between Regional Utilities, Inc. and Palm Beach County, Florida dated September 12, 1972, filed in Official Records Book 2227 at Page 1027, of the Public Records of Palm Beach County, Florida.

3. Terms and provisions of a deed from Longmeadow, Inc. to The Lake Worth Drainage District, dated December 14, 1973, filed January 28, 1974 as Instrument No. 9582 in Official Records Book 3364 at Page 601 of the Public Records of Palm Beach County, Florida.

4. Easement as set forth in Instrument filed in Official Records Book 2264 at Page 588 of the Public Records of Palm Beach County, Florida.

5. Temporary easement as contained in Final Judgment filed September 22, 1971 in Official Records Book 1934 at Page 1569 of the Public Records of Palm Beach County, Florida.

6. Agreement between Regional Utilities, Inc. and First Newport Realty Investors, dated March 31, 1978 and filed June 23, 1978 in Official Records Book 2882 at Page 1809 of the Public Records of Palm Beach County, Florida.

7. Mortgage from F & R Builders, Inc., a Florida corporation, to Malin Burnham, David B. Heyler, Jr., Arthur J. Hill, Gavin Miller, Robert E. Morgan, Forest E. Olson and Robert E. Alshuler, not individually but as Trustee of First Newport Realty Investors, a California business trust, in the principal sum of $1,350,000.00, dated March 12, 1979 and recorded March 13, 1979 in Official Records Book 3023 at Page 513 of the Public Records of Palm Beach County, Florida; together with Assignment and Lease and Rents and Security Agreement.

   NOTE: UCC-1 Financing Statement filed March 13, 1979 in Official Records Book 3023 at Page 542 of the Public Records of Palm Beach County, Florida.

8. Mortgage from F & R Builders, Inc., a Florida, to Malin Burnham, David B. Heyler, Jr., Arthur J. Hill, Gavin Miller, Robert E. Morgan, Forest E. Olson and Robert E. Alshuler, not individually but as Trustees of First Newport Realty Investors, a California business trust, and recorded March 13, 1979 in Official Records Book 3023 at Page 546 of the Public Records of Palm Beach County, Florida.

9. Easement and Covenant Running with the Land, between F & R Builders, Inc., a Florida corporation, and Malin Burnham, David B. Heyler, Jr., Arthur J. Hill, Gavin Miller, Robert E. Morgan, Forest E. Olson and Robert E. Alshuler, not individually but as Trustees of First Newport Realty Investors, a California business trust, dated March 12, 1979 and recorded March 13, 1979 in Official Records Book 3023 at Page 575 of the Public Records of Palm Beach County, Florida.

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RECREATION AREA MANAGEMENT AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 19___, by and between Lakes of Delray, Inc., a Florida corporation not for profit (the "Master Association") and Lennar Management Corporation, a Florida corporation, (the "Recreation Area Management Firm").

WITNESSETH:

WHEREAS, Ashland Condominium A Association, Inc., a Florida corporation not for profit (the "Association") is the entity responsible for the operation of the Ashland Condominium A (the "Condominium") established or to be established by the Declaration of Condominium therefor recorded or to be recorded in the Public Records of Palm Beach County, Florida; and

WHEREAS, the Association entered into that certain Agreement for Deed with Lennar Homes, Inc. (the "Seller") bearing even date for the purchase and sale of an undivided interest in and to certain real property with improvements thereon more particularly described in the Agreement for Deed (the "Recreation Area"); and

WHEREAS, the size and the extent of the Recreation Area, as well as the terms and conditions of the Agreement for Deed, require the employment of a Manager to provide for the management, supervision and maintenance of the Recreation Area; and

WHEREAS, the Master Association was organized for, among other reasons, the administration, management, supervision and operation of the Recreation Area; and

WHEREAS, the Master Association desires to retain the Recreation Area Management Firm, and the Recreation Area Management Firm desires to be so retained, to manage the Recreation Area upon the terms, provisions and conditions herein set forth.

NOW, THEREFORE, in consideration of the premises, the covenants and agreements herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Definitions. The terms used herein shall have the meanings set forth in the Declaration of Condominium unless the context otherwise requires.

2. Employment. The Master Association hereby employs and hires the Recreation Area Management Firm as the exclusive Manager of the Recreation Area and other facilities designed for the common use of the residents of The Lakes of Delray Development (the "Development") to the extent that operation, maintenance, and/or management thereof is imposed upon the Master Association under the terms of the Agreement for Deed and Declaration of Condominium, and the Recreation Area Management Firm hereby accepts such employment.

3. Powers and Duties. The Recreation Area Management Firm shall exercise on behalf of the Master Association all of the powers and duties of the Master Association, and shall provide all managerial services, as set forth in said Agreement for Deed and Declaration of Condominium.

Without limiting the generality of the foregoing, the Recreation Area Management Firm shall provide consultation, advice, guidance, managerial and maintenance services necessary to do and accomplish the following:

3.1 Confer. Confer freely and fully at reasonable times and upon reasonable notice with the Master Association's Directors when so requested by them in connection with the performance of its duties; the Master Association shall give sufficient notice of and invite the Recreation Area Management Firm to attend all of the Master Association's directors', members' and committee meetings, provided, however, the Recreation Area Management Firm shall not be required to attend any of such meetings.

3.2 Employees. Select, employ, determine salaries, supervise, direct and discharge, in its absolute discretion, in its name or in the name of the Master Association, as the Recreation Area Management Firm shall determine, such persons as it may require to fulfill its duties hereunder.

3.3 Collect Assessments. Collect and receive all regular and special assessments, carrying charges, and other charges of every kind and nature which may be due from the condominium associations and the members thereof within the Development on account of the Recreation Area or other common facilities at the Development. The Master Association hereby authorizes the Recreation Area Management Firm to request, demand, collect, receive and receipt for any and all assessments and charges which may be due the Master Association and to take such action in the name of the Master Association by way of making, recording, satisfying and foreclosing the Master Association's lien therefor; initiating legal process; or taking such other action as the Recreation Area Management Firm shall deem necessary or appropriate for the collection of such assessments.

3.4 Repairs and Maintenance. Cause the Recreation Area and other common facilities at the Development and all parts thereof, to be maintained and repaired in accordance with the obligations for such maintenance and repair as set forth in the Agreement for Deed and Declaration of Condominium.

3.5 Laws. Take such action as may be necessary to comply with all laws, statutes, ordinances and rules of all appropriate governmental authorities, and with the Rules and Regulations of the National Board of Fire Underwriters, or if such Board shall terminate its present functions, those of any other body exercising similar functions. The Recreation Area Management Firm, however, shall not take any action so long as the Master Association is contesting or has affirmed its intention to contest any such law, statute, ordinance, rule, regulation or order or requirement pursuant thereto, and the Recreation Area Management Firm shall not take any such action without notifying the Board of Directors, except in the event of emergencies.

3.6 Purchase. Purchase equipment, tools, vehicles, appliances, goods, supplies and materials as shall be reasonably necessary to perform its duties, including the maintenance, upkeep, repair, replacement, refurbishing and preservation of the Recreation Area, the furnishings, fixtures, equipment, and appliances thereof and the other common facilities. Purchases shall be made in the name of the Recreation Area Management Firm or, in its discretion, in the name of the Master Association. When making purchases the Recreation Area Management Firm shall make a reasonable effort to obtain the best price available, all factors considered.

3.7 Services. Make contracts for water, electricity, gas, telephone services, and such other services or utilities as the Recreation Area Management Firm shall deem to be in the best interests of the Master Association and/or the Development.

3.8 Insurance. Cause to be placed or kept in force all insurance required or permitted by the Agreement for Deed to be kept or placed by the Master Association; to act as agent for the Master Association, each Unit Owner and for each Owner of any other insured interests; to promptly investigate and report to the Master Association with respect to all accidents and claims for damage relating to the ownership, operation and maintenance of the Recreation Area and other commonly used facilities, including any damage or destruction thereto and to cooperate with and make such reports as are required by the insurance company in connection therewith; to bring suit thereon in the name of the Master Association and other insured; to deliver release upon payment of claims; to otherwise exercise all of the rights, powers and privileges of the Master Association, and each Owner of any insured interest in the Recreation Area as an insured under such insurance proceeds under all losses payable to the Master Association under the Agreement for Deed.

3.9 Master Association's Records. To at all times keep and maintain books and records for the Master Association in accordance with prevailing accounting standards sufficient to identify the source of all funds collected and the disbursement thereof, which books and records may be combined with those of other condominium associations at the Development. To prepare and render annual statements of income and expense to the Board of Directors of the Master Association. The Master Association shall have the privilege and right, at their own expense, to have independent certified public accounts examine said books and records but not more than once a year.

3.10 Apportionment. Apportion among the various condominium associations whose members are entitled to use and enjoyment of the Recreation Area and other common facilities, their proportionate share of all costs, expenses and other obligations as set forth in the Agreement for Deed and Declaration of Condominium.

3.11 Funds. Deposit all funds collected from the Master Association's membership or otherwise accruing to the Master Association related to the Recreation Area and other common facilities, if any, at the Development, in bank accounts styled so as to indicate the custodial nature thereof, and in banking or savings and loan associations, whose deposits are federally insured. The Recreation Area Management Firm may co-mingle any such funds with funds being held by it for other condominium associations at the Development.

3.12 Budget. Prepare an operating budget setting forth an itemized statement of the anticipated revenues and expenses for the ensuing fiscal year based upon the then current schedule of monthly assessments and taking into account the general condition of the Recreation Area and other common facilities and the requirements imposed by the Agreement for Deed and Declaration of Condominium. Said budget together with an explanatory statement shall be submitted to the Board of Directors of the Master Association at least thirty (30) days prior to the commencement of the fiscal year for which it has been made. The budget shall serve as a supporting document for the schedule of monthly assessments. The operating budget shall only require the approval of the Master Association to the extent required by Florida law.

3.13 Experts. Retain and employ attorneys-at-law, tax consultants and other experts and professionals whose services the Recreation Area Management Firm may require to effectively perform its duties and exercise its powers hereunder. The foregoing shall not be a limitation upon the rights of the Master Association to employ such professionals and experts on its own account as it may desire, but the employment of the same by the master Association shall in no way affect the Recreation Area Management Firm's right to employ and continue the employment of the professionals and experts which it has or will employ, nor shall the same in any way relieve the Master Association of its obligation to pay its share of the costs of professional and experts retained by the Recreation Area Management Firm as herein provided.

3.14 Access. The Recreation Area Management Firm shall have access to the Recreation Area and other common facilities, and all parts thereof, as may be necessary for the performance of its powers and duties hereunder. During the term of this Agreement and any renewals thereof, the Recreation Area management Firm shall be entitled to occupy and use, rent free and totally without cost to said Firm, such space within the Recreation Area described in the Agreement for Deed of even date herewith, as is reasonably required by such Firm in order to carry out the terms, obligations and conditions of this Agreement.

3.15 Revenues. All issues and profits growing from or arising out of the Recreation Area shall be used to defray the costs of operating the Recreation Area. All principal and interest payments due Seller under the Agreement for Deed shall be paid to and shall belong exclusively to Seller.

3.16 Rules and Regulations. Promulgate Rules and Regulations for the use and enjoyment of the Recreation Area by the Master Association and its members, and the families, guests and invitees of the Unit Owners of the condominium associations. A copy of all such Rules and Regulations shall be posted at the clubhouse.

3.17 General Powers. The Recreation Area Management Firm shall have such other powers as are reasonably necessary to fulfill the Master Association's obligations under the Agreement.

4. Term. Unless sooner terminated, as herein provided, this Recreation Area Management Agreement shall commence on the date of the issuance of the Certificate of Occupancy (temporary or final) for the clubhouse (as clubhouse is defined in the Condominium Documents) and shall continue thereafter for a period of ten (10) years, and shall be automatically extended for a period of ten (10) years upon the same terms and conditions; provided, however, that this Recreation Area Management Agreement shall be subject to earlier cancellation at such time as Unit Owners other than Seller, or subsequent Developers of the Development, have assumed control of all of the associations

operating condominiums that are to be served by the Recreation Area and other common facilities, after which such cancellation may be effected by concurrence of the Owners of not less than seventy-five (75%) percent of the total number of Units in those condominiums other than Units owned by Seller and any subsequent Developer of the Development. This Recreation Area Management Agreement shall be subject to earlier cancellation by the Recreation Area Management Firm upon ninety (90) days written notice to the Master Association. Cancellation as provided in this paragraph shall be effective on the first day of the month following such cancellation.

5. Liability. Everything done in managing the Recreation Area by the Recreation Area Management Firm under the provisions of this Agreement shall be done as agent for the Master Association, and all obligations or expenses incurred in the performance of the Recreation Area Management Firm's duties and obligations shall be for the account of, on behalf of and at the expense of the Master Association. The Recreation Area Management Firm shall not be obligated to make any advance to or for the account of the Master Association or to pay any sum, except out of funds held or provided by the Master Association or from its members, nor shall the Recreation Area Management Firm be obliged to incur any liability or obligation on account of the master Association without assurance that the necessary funds for the discharge thereof will be provided. Since the Recreation Area management Firm will be acting at all times for and on behalf of the Master Association, it is understood and agreed that the Public Liability Insurance carried and maintained by the Master Association shall be extended to and shall cover the Recreation Area Management Firm, its agents and employees, as well as the Master Association, all at the expense of the Master Association. The Master Association agrees to indemnify and hold the Recreation Area Management Firm, its agents and employees harmless from any and all liability for any injury, damage or accident to any members of the Master Association, a guest or invitee, or any such member, or to any third person, arising out of or in the course of the performance of its duties hereunder. The Recreation Area Management Firm's assumption of obligations hereunder is limited to management and maintenance as agent and does not require the Recreation Area Management Firm to pay the costs and expenses which the Master Association undertakes.

6. Reimbursement of Costs. All of the foregoing management services to the Master Association shall be rendered without cost to the Recreation Area Management Firm and the Master Association shall pay or reimburse the Recreation Area Management Firm for all such costs and expenses which may be incurred by the Recreation Area Management Firm in providing services, materials and supplies to the Master Association which shall include the cost of all employees of the Recreation Area Management Firm for the time spent directly upon performance of matters required by the terms of this Agreement. All such costs and expenses incurred by the Recreation Area Management Firm for the Master Association shall be reimbursed by monthly payments on or before the first full day of the ensuing month.

7. Apportionment throughout Development. The parties recognize that the Recreation Area Management Firm will be performing similar services for other condominium associations in the Development. Accordingly, notwithstanding anything contained herein to the contrary, such costs and expenses as are general to the Development may within the Recreation Area Management Firm's discretion, be averaged and charged on a weighted basis. Such weighing shall be determined by the Recreation Area Management Firm in accordance with the provisions on apportionment contained in the Agreement for Deed and Declaration of Condominium.

8. Assessments. The Master Association agrees that all assessments due by Unit Owners in the condominium associations will at all times be maintained so that the amounts produced thereby shall be sufficient to provide the monies necessary to pay all items set forth in the Agreement for Deed, Declaration of Condominium, and hereunder, and to realize a sum sufficient to meet the requirements of the annual budget prepared pursuant to the provisions of Section 3.12 of this Recreation Area Management Agreement. The Recreation Area Management Firm shall be required to perform its services and make disbursements only to the extent that, and only so long as, revenues received from assessments or other sources on behalf of the Master Association shall be sufficient to pay the obligations of the Master Association. In the event it shall, at any time, appear to the Recreation Area Management Firm that the assessments and other revenue, if any, of the Master Association is insufficient to meet the obligations of the Master Association, the Recreation Area Management Firm shall so notify the Master Association, and the Master Association shall thereupon cause the condominium associations to increase the monthly assessments of the Unit Owners in the condominium associations in an amount sufficient to enable the Master Association to meet its obligations, and failure on the part of the Master Association to adopt such an increase within a reasonable time after being notified of the necessity thereof by the Recreation Area Management Firm may, at the option of the

Recreation Area Management Firm, be deemed and treated as a material breach of this Recreation Area Management Agreement.

9. Application of Collections. All assessments and other revenues, if any, of the Master Association which the Recreation Area Management Firm shall collect shall be applied as follows:

9.1 Principal and Interests. First, to the payment of principal and interest due to Seller under the Agreement for Deed.

9.2 Taxes and Insurance. Next, to the payment of premium on insurance policies carried by the Master Association, the Recreation Area Management Firm, and Seller, and all taxes and assessments on the Recreation Area and other common facilities, if any.

9.3 Balance. The balance shall be utilized, applied, disbursed and otherwise expended or reserved by the Recreation Area Management Firm to pay the costs and services rendered by the Recreation Area Management Firm under this Recreation Area Management Agreement, and in accordance with the terms of Section 14 of the Agreement.

10. Manager's Compensation. It is specifically understood and agreed that the Recreation Area Management Firm shall perform all of the services required of it hereunder at no cost or expense whatsoever to itself but solely at the cost and expense of the Master Association. As compensation, fee or profit for its services hereunder, the Recreation Area Management Firm shall receive a net fee, free of all charges and expenses in an amount equal to One ($1.00) Dollar per month per Unit in the Condominium and One ($1.00) Dollar per month per Unit in all other "existing Condominiums" in the Development ("existing Condominiums" shall include all Condominiums created prior and subsequent to the date of this Agreement by the recording of a Declaration of Condominium therefor among the Public Records of Palm Beach County, Florida) or seven (7%) percent of the total monthly expenses set forth in the Estimated Operating Budget for the operating expenses, maintenance, management and reserves under the Agreement for Deed, Security and Transportation, whichever is higher; provided, however, that during the period Seller's guaranty described in the Agreement for Deed is in force and effect, the Recreation Area Management Firm's fee shall be One ($1.00) Dollar per month per Unit in the Condominium. Payment of fees and compensation to the Recreation Area Management Firm shall be due, in advance, on the first day of each and every month during the term hereof.

11. Interference. The Master Association shall not interfere nor permit, allow or cause any of its officers, directors, or members to interfere with the Recreation Area Management Firm in the performance of its duties or the exercise of any of its powers hereunder.

12. Default.

12.1 By the Association. If the Master Association or its members or Unit Owners shall interfere with the Recreation Area Management Firm in the performance of its duties and the exercise of its powers hereunder, or if the Master Association shall fail to promptly do any of the things required of it hereunder, including but not limited to the assessment of its members of amounts sufficient to defray in full the Recreation Area Management Firm's costs and expenses as herein defined, and to otherwise pay all of the sums mentioned hereunder, in the Agreement for Deed and in the Declaration of Condominium, then the Recreation Area Management Firm, thirty (30) days after having given written notice to the Master Association of said default, by delivering said notice to any officer of the Master Association or, in their absence, to any member of the Master Association, may declare this Agreement in default. Unless such default is cured by the Master Association within thirty (30) days after such notice, the Recreation Area Management Firm may, in addition to any other remedy given it by this Recreation Area Management Agreement, bring an action against the Master Association for damages, or for specific performance, or for such other right or remedy as the law may provide. All of such rights of the Recreation Area Management Firm in the event of default shall be exercisable at the Recreation Area Management Firm's option and shall be cumulative, and the exercise of one or more remedy shall not operate to exclude or to constitute a waiver of any other additional remedy. In the event of any action at law or in equity by the Recreation Area Management Firm to enforce its rights under the provisions of this Recreation Area Management Agreement, or seeking damages by reason of any breach by the Master Association of its duties and obligations hereunder, the Recreation Area

Management Firm shall be entitled, in the event it shall prevail in such litigation, in addition to any other relief provided by law to the recovery of reasonable attorneys' fees, appellate attorneys' fees, and court costs incurred in connection therewith.

12.2 By the Recreation Area Management Firm. Failure by the Recreation Area Management Firm to substantially perform its duties and obligations under this Recreation Area Management Agreement for a continuous period of sixty (60) days after written notice of default from the Master Association, specifying the default complained of, shall be grounds for the Master Association's cancellation of this Agreement, provided such cancellation is first approved by the Owners of not less than seventy-five (75%) percent of the total number of Units in those condominiums other than Units owned by Seller and any subsequent Developer of the Development that have purchased an undivided interest in the Recreation Area. Cancellation as provided in this paragraph shall be effective on the first day of the month following such cancellation.

13. Cross Default. The obligations of Master Association under this Recreation Area Management Agreement and under the Agreement for Deed shall be taken together as if imposed by a single agreement, and by any default by Master Association under either of said agreements shall be deemed a default under the other agreement, entitling the other parties to said agreements to any and all remedies provided therein or at law.

14. Miscellaneous. If any section, sub-section, sentence, clause, phrase or word of this Recreation Area Management Agreement shall be for any reason held or declared to be inoperative or void, such holding will not affect the remaining portions of this Recreation Area Management Agreement and it shall be construed to have been the intent of the parties that the remainder of this Recreation Area Management Agreement, after the exclusion of such parts, shall be deemed and held to be as valid as if such excluded parts had never been included herein. The singular shall include the plural, the plural shall include the singular, and the use of any gender shall include any and all other genders. Headings are for convenience of reference only, and are not to be considered a part hereof, and shall not limit or otherwise affect any of the provisions hereof.

15. Relationships. The Recreation Area Management Firm is an affiliate of Seller (Developer); both being wholly owned subsidiaries of Lennar Corporation.

16. Binding Agreement. This Agreement shall be binding upon the parties hereto and their respective successors, legal representatives and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year aforesaid.

Signed, sealed and delivered
in the presence of:

THE LAKES OF DELRAY, INC.

Laura Vanderveldt
Name: Laura Vanderveldt

By: Robert Fuller

Rebecca Harper
Name: Rebecca Harper

LENNAR MANAGEMENT CORPORATION

Janet S. English
Name: JANET S. ENGLISH

By: _____
Vice President

Sandra G. Conwell
Name: SANDRA G. CONWELL

Unofficial Document

THE LAKES OF DELRAY
COMMUNITY FACILITIES RULES AND REGULATIONS

HOURS

MAIN CLUBHOUSE: 9:00 a.m. - 11:00 p.m. daily

1. No Guests under the age of 18 years are permitted in the Clubhouse.

POOLS: Winter Hours: (October - May) 10:00 a.m. - 6:00 p.m.
Summer Hours: (June - September) 10:00 a.m. - 8:00 p.m.

2. Guests under the age of 18 are permitted to use the outdoor pools when accompanied by a resident-owner between the hours of 9:00 a.m. - 11:00 a.m. or 3:00 p.m. - 6:00 p.m.

RESPONSIBILITIES OF RESIDENTS AND THEIR GUESTS

1. In order to insure resident owners enjoyment of all Community Facilities, all persons using the Community Facilities shall conduct themselves in a courteous manner with due regard for the rights of others to use and enjoy the facilities.

2. The number of persons using any or all of the Recreational Facilities at a given time may be limited as needed by the Clubhouse Director.

3. Recreational facilities are only for the use of the Lakes of Delray residents and their guests. The Community Facilities shall not be used by any group, association, society, party affiliation, club or like; for any religious, political, civic, charitable, fraternal, social or any purpose, without the express written consent of the Clubhouse Director, which consent may be withheld for any, or no, reason.

4. All persons using the Community Facilities will follow the instructions and decisions of the Clubhouse Director or members of the Clubhouse Director's staff regarding the use of the facilities and priority and length of time of use of the facilities.

5. Supplemental rules and regulations may be posted by the Clubhouse Director in specific areas as needed from time to time. All residents and their guests will be responsible for reading and abiding by them. Rules and regulations that are posted in any particular area, room or facility, will control the use thereof and shall be deemed supplemental to the Rules and Regulations herein enumerated.

6. Any instructions, directions or requests received from a Security Officer will be complied with by all persons using the Community Facilities, or be subject to removal by demand.

7. Casual attire is permissible until 6:00 p.m., but all persons are required to wear shoes and a shirt or other covering garment over their bathing suits while in the Clubhouse.

8. Shuffleboard Courts and Tennis Courts will be restricted for use by residents only at prescribed times. Lessees and Guests may only use them when they are not specifically restricted for use by residents.

9. No signs of any sort may be erected or posted upon the Community Facilities nor may any advertising leaflets, papers, or written matter be distributed within the Community Facilities without the express written consent of the Clubhouse Director.

RESIDENTS/OWNER I.D. CARDS

Proof of ownership, (copy of deed), and personal identification, (driver's license, credit card) must be submitted in order to obtain I.D. Cards. I.D.'s for owners will bear the Letter "R" on the face of the card. Ownership is not the only criteria for receiving Resident I.D. cards, i.e., if a son or daughter owns a Unit, but a parent occupies it, then the parent will receive a Resident

This is not an official record

I.D. card and the children will be guests of their parents when they come to visit.

LESSEE I.D. CARDS

Lessees must submit a duly executed lease or rental agreement with personal identification in order to obtain I.D. cards. Lessees are required to pay Ten Dollars ($10.00) for each I.D. card issued. Five Dollars ($5.00) of the fee is refundable upon the surrender of each I.D. card and receipt. No refunds will be given beyond one month of the expiration date of the lease. I.D.'s for lessees will bear the Letter "L' on the face of the card with the expiration time of lease. Lessee cards cannot be issued for leases or rental agreements less than three (3) months. Owners must surrender "R" cards during the term of rental periods or lessee cards will not be issued. "R" cards will be held until lease or rental agreement and "L" cards are surrendered. All requests for Lessee cards must be approved by the Directors of the Condominium Association in which the Unit is being leased and must be approved by the Management Company.

THE USE OF THE FACILITIES AT THE LAKES OF DELRAY IS LIMITED ONLY TO THOSE PERSONS WHOSE NAMES APPEAR ON THE LEASE.

RESALE BUYER'S I.D. CARDS

New buyers cannot be issued I.D. cards until the former owner (seller) surrenders I.D. card or cards to the Clubhouse Director's office. All requests for new resident I.D. cards must be approved by the Directors of the Condominium Association in which the Unit is being sold and must be approved by the Management Company.

LOST OR DAMAGED RESIDENT OR LESSEE I.D. CARDS

Replacement fee ..... Ten Dollars ($10.00)

LOCATION AND HOURS FOR I.D. CARDS

I.D. cards will be issued in the Clubhouse, Monday through Friday, 9:00 a.m. to Noon and 1:00 p.m. to 4:30 p.m.

NOTE: I.D. Cards will not be mailed. Owners must reclaim cards in person. Do not alter cards in any way. Information on face of card must be complete. Altered cards will not be honored. The Clubhouse Director has the right to suspend Clubhouse or other recreational facilities privileges when use of card or other facilities are abused.

GUEST I.D. CARDS AND PASSES

Guest I.D. cards will be issued Monday through Friday, 9:00 a.m. to Noon, and 1:00 p.m. to 4:30 p.m. at the Clubhouse at a charge of Five Dollars ($5.00) per Guest Card. Guest I.D. cards will be honored for the length of stay, not to exceed (30) days. GUESTS wishing to view the Clubhouse, may do so during the DAY ONLY and may obtain a "VISITORS PASS" from the Sales office when accompanied by a resident.

"Visitors Passes" are not valid at the Clubhouse or for use of any facility after 6:00 p.m.

Guests under the age of 18 will not be issued any form of I.D. card or pass.

All persons 18 years of age or older must carry and show proof of age. Only driver's licenses, voter's registrations, or birth certificates will be honored. Personal Identification and Proof of Permanent Residence must also be carried.

Any guest misusing the Community Recreational Facilities will be denied admittance for the remainder of his stay.

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PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT executed on the _____ day of _____ 19____, by _____ hereinafter referred to as "Unit Owner", to Lennar Homes, Inc., a Florida corporation, hereinafter referred to as "Pledgee".

WITNESSETH:

WHEREAS, simultaneously herewith, Pledgee, as Seller, and Unit Owner, as Purchaser, entered into an Individual Agreement for Deed, hereinafter referred to as the "Agreement", to which this Pledge Agreement is attached as Exhibit 3; and

WHEREAS, the property conveyed under the Agreement consists of real property and recreational facilities constructed or to be constructed thereon which are to be for the non-exclusive use and enjoyment of the Unit Owner and all other Unit Owners, residents and guests in the Lakes of Delray Development (the "Recreation Area"); and

WHEREAS, the Unit Owner is obligated to pay the purchase price payable under the Agreement, together with the taxes, assessments, insurance, maintenance, management, capital reserves, if any, and other Recreation Area expenses; and

WHEREAS, pursuant to the terms of the Agreement, the Unit Owner has agreed to pledge the Unit Owner's interest in Unit Owner's Condominium Unit in favor of the Pledgee in order to secure the Unit Owner's obligations under the said Agreement and to secure the Unit Owner's obligation to pay Unit Owner's share of the expenses of the Recreation Area of which the taxes, assessments, insurance, maintenance, management, capital reserves, if any, capital expenditures, and other Recreation Area expenses under the Agreement is a part thereof; and

WHEREAS, pursuant to the Agreement, the Unit Owner is also required to pay as an expense Unit Owner's allocable share of the cost of operation, maintenance, and replacement of other facilities designed for the common use of residents of Lakes of Delray, and to pledge Unit Owner's interest in the Condominium Unit to secure same; and

WHEREAS, the Unit Owner is desirous of using and enjoying the Recreation Area and such other common facilities.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the benefits of the same accruing each to the other, and other good and valuable considerations, it is mutually agreed as follows:

1. That the foregoing recitals are true and correct.

2. In order to secure the faithful performance of the Unit Owner's obligations to the Pledgee herein under the Agreement, and in order to secure the Unit Owner's obligation to pay Unit Owner's share of the taxes, insurance, maintenance, management, capital reserves, if any, capital expenditures, and other Recreation Area expenses, as more particularly set forth in the Agreement and in order to secure the Unit Owner's obligation to pay Unit Owner's allocable share towards the operation, maintenance and replacement of other facilities designed for the common use of residents of Lakes of Delray, the Unit Owner does hereby pledge, grant, sell, bargain, lien, remise, release, convey and confirm unto the Pledgee, the following described property, lying and being in Palm Beach County, of which said Unit Owner is not seized and possessed, to-wit:

> Condominium Unit No. _____ of Ashland Condominium A, according to the Declaration of Condominium thereof, recorded in O. R. Book _____ at Page _____ of the Public Records of Palm Beach County, Florida.

TO HAVE AND TO HOLD, the same with the tenements, hereditaments and appurtenances, unto the said Pledgee.

The foregoing security is deemed to be by way of additional security for the full and faithful performance by the Unit Owner of the Agreement.

The Unit Owner covenants with the Pledgee that the Unit Owner is indefeasibly seized of the aforedescribed Condominium Unit in fee simple; that said Unit Owner does hereby fully warrant the title to the said Condominium Unit and will defend the same against the lawful claims of all persons whatsoever.

The Unit Owner further covenants and agrees:

(a) To pay all and singular the taxes, assessments levies, liabilities, obligations, and encumbrances of every nature, including assessment by the condominium association, its successors and assigns, on said Condominium Unit aforedescribed, and if the same be not promptly paid, the said Pledgee may, at any time, pay the same without waiving or affecting the option to foreclose, or any rights hereunder, and every payment so made shall bear interest from the date thereof at the rate of eighteen (18%) percent per annum; and specifically, to pay the principal and interest payments upon any other mortgages, to which the Pledgee may have subordinated its mortgage lien herein created.

(b) To pay all and singular the cost, charges and expenses, including attorney's fees, reasonably incurred or paid at any time by the said Pledgee because of the failure on the part of the Unit Owner to perform, comply with, and abide by each and every stipulation, agreement, condition and covenant of the agreement and every such payment shall bear interest from the date thereof at the highest rate allowed by law.

(c) To permit, commit or suffer to waste, impairment or deterioration of the said land, parcel and Unit aforedescribed or any part thereof, ordinary wear and tear excepted.

3. Notwithstanding anything to the contrary herein contained, so long as Unit Owner pays Unit Owner's pro rata share of all expenses arising from or out of the Agreement and/or such other common facilities directly to Pledgee, then, and in such event, Pledgee agrees that it will not enforce any of its rights which it may have against the Unit Owner by virtue of this Pledge Agreement (including, without limitation, the right of foreclosure).

4. Pledgee agrees that the mortgage pledge herein created upon the aforedescribed Unit is and shall be secondary, inferior and subordinate to any valid Institutional First Mortgage (as defined in the Declaration of Condominium for said Condominium) placed upon said parcel.

IN WITNESS WHEREOF, the said Unit Owner has executed this Pledge Agreement as provided by law, on this day and year first above written.

Signed, sealed and delivered
in the presence of:

_____ _____ (SEAL)
Unit Owner

_____ _____ (SEAL)
Unit Owner

This is an Unofficial Copy