

03/23/89
105-4358-1

082035

MAR-23-1989 03:15pm 89-082045

ORB 6007 Pg 1853

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

VILLA SAN REMO

(Amending and restating in its entirety
the Declaration of Restrictions and
Protective Covenants for Boca Azul)

PREPARED BY AND RETURN TO:
JAMES J. WHEELER, ESQUIRE
BROAD AND CASSEL
7777 Glades Road
Suite 300
Boca Raton, Florida 33434

"WILL CALL LATS"
for BROAD AND CASSEL (J&J)
7777 W. GLADES ROAD
BOCA RATON, FL 33434

- TABLE OF CONTENTS -

	Page
I. DEFINITIONS.....	2
1. Area of Common Responsibility.....	2
2. Association.....	2
3. Common Area.....	2
4. Common Expenses.....	2
5. Community.....	2
6. Community-Wide Standard.....	3
7. General Assessment.....	3
8. Member.....	3
9. Neighborhood.....	3
10. Neighborhood Assessment.....	4
11. Owner.....	4
12. Person.....	4
13. Properties.....	4
14. Recreational Facility.....	4
15. Site Plan.....	4
16. Special Assessment.....	4
17. Subsequent Amendment.....	5
18. Unit.....	5
II. PROPERTY RIGHTS.....	5
III. MEMBERSHIP AND VOTING RIGHTS.....	6
1. Membership.....	6
2. Voting.....	6
IV. MAINTENANCE.....	7
1. Association's Responsibility.....	7
2. Neighborhood's Responsibility.....	8
3. Owner's Responsibility.....	8
V. INSURANCE AND CASUALTY LOSSES.....	9
1. Insurance.....	9
2. Individual Insurance.....	12
3. Disbursement of Proceeds.....	12
4. Damage and Destruction.....	13
5. Repair and Reconstruction.....	13
VI. NO PARTITION.....	14
VII. CONDEMNATION.....	14

VIII.	ACQUISITION OF PROPERTY.....	15
1.	Acquisition of Additional Common Area.....	15
2.	Amendment.....	15
IX.	RIGHTS AND OBLIGATIONS OF THE ASSOCIATION.....	15
1.	Common Area and Rights-of-Way.....	15
2.	Personal Property and Real Property for Common Use.....	15
3.	Rules and Regulations.....	15
4.	Implied Rights.....	16
5.	Powers of the Association with Respect to Neighborhoods.....	16
X.	ASSESSMENTS.....	17
1.	Creation of Assessments.....	17
2.	Computation of Assessment.....	19
3.	Special Assessments.....	20
4.	Lien for Assessments.....	20
5.	Date of Commencement of Annual Assessments....	21
6.	Subordination of the Lien to First Mortgages.....	21
7.	Capitalization of Association.....	21
8.	Exempt Property.....	21
XI.	ARCHITECTURAL STANDARDS.....	22
1.	New Construction Committee.....	22
2.	Modifications Committee.....	22
3.	No Waiver of Future Approvals.....	23
XII.	USE RESTRICTIONS.....	23
1.	Signs.....	24
2.	Parking and Garages.....	24
3.	Occupants Bound.....	24
4.	Animals and Pets.....	24
5.	Nuisance.....	25
6.	Unsightly or Unkept Conditions.....	25
7.	Antennas.....	26
8.	Clotheslines, Garbage Cans, Etc.....	26
9.	Subdivision of Unit.....	26
10.	Guns.....	26
11.	Pools.....	26
12.	Irrigation.....	26
13.	Tents, Trailers and Temporary Structures.....	26
14.	Drainage.....	27
15.	Tree Removal.....	27

16.	Site Distance at Intersections.....	27
17.	Utility Lines.....	27
18.	Air Conditioning Units.....	27
19.	Window Treatments.....	27
20.	Lighting.....	27
21.	Artificial Vegetation, Exterior Sculpture, and Similar Items.....	27
22.	Energy Conservation Equipment.....	27
23.	Lakes.....	28
24.	Rental or Lease.....	28
XIII.	PARTY WALLS.....	28
1.	General.....	28
2.	Sharing of Costs of Repair and Maintenance....	29
3.	Destruction by Fire or Other Casualty.....	29
4.	Weather Proofing.....	29
5.	Right to Contributions Runs with Land.....	29
6.	Arbitration.....	29
XIV.	GENERAL PROVISIONS.....	30
1.	Term.....	30
2.	Amendment.....	30
3.	Indemnification.....	30
4.	Delegation of Use.....	31
5.	Easements of Encroachment.....	31
6.	Easements for Utilities, Etc.....	31
7.	Easement for Unit Maintenance.....	32
8.	Easement for Pedestrian Traffic.....	32
9.	Additional Easements.....	33
10.	Recreational Facility.....	33
11.	Severability.....	33
12.	Right of Entry.....	33
13.	Litigation.....	34
14.	Use of the words "Villa San Remo".....	34
15.	Neighborhood Governing Documents.....	34
16.	Cable Television.....	34
XV.	MORTGAGEES' RIGHTS.....	35
1.	Notices of Action.....	35
2.	Special FHLMC Provision.....	35
3.	No Priority.....	36
4.	Notice to Association.....	36
5.	Amendment by Board.....	36
6.	Applicability of Article XV.....	37
7.	Failure of Mortgagee to Respond.....	37
XVI.	DECLARANT'S RIGHTS.....	37

ORB 6007 Pg 1857

- TABLE OF EXHIBITS -

<u>Exhibit</u>	<u>Subject Matter</u>
"A"	Land Initially Submitted
"B"	Common Area Initially Submitted

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

VILLA SAN REMO

This Declaration of Covenants, Conditions, and Restrictions amending and restating in its entirety that certain Declaration of Restrictions and Protective Covenants for Boca Azul, recorded March 18, 1981 in Official Records Book 3483, Page 1057, as amended in Official Records Book 3652, Page 1095, as supplemented in Official Records Book 5492, Page 992, all of the Public Records of Palm Beach County, Florida, is made this _____ day of _____, 1989, by An-Sca Investment Co., Inc., a Florida corporation (hereinafter referred to as "Declarant").

Declarant is the owner of the real property described as Parcels 2, 3 and 4 on Exhibit "A" attached hereto and incorporated herein by reference. By virtue of this ownership interest in Parcels 2, 3 and 4 and with respect to Parcel 1, by virtue of Declarant's status as Developer (as per the Assignment of Developer Rights and Obligations recorded in Official Records Book 4208, Page 405, Public Records of Palm Beach County, Florida) and its authority to amend the Declaration pursuant to Article IX, Section 5 of the originally recorded Declaration, Declarant intends by this Declaration to impose upon the Properties (as defined herein) mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of residential property within the Properties made subject to this Declaration and amendments thereto by the recording of this Declaration. Declarant desires to provide a flexible and reasonable procedure for the overall development of the Properties, and to establish a method for the administration, maintenance, preservation, use and enjoyment of such Properties as are now or may hereafter be subjected to this Declaration;

NOW, THEREFORE, Declarant hereby declares that all of the Properties described in Exhibit "A" and any additional Property as may by amendment be added to and subjected to this Declaration shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of and which shall run with the real property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the described Properties or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Area of Common Responsibility" shall mean and refer to the Common Area, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any Owner or Neighborhood become the responsibility of the Association.

Section 2. "Association" shall mean and refer to Villa San Remo Community Association, Inc., a Florida corporation not-for-profit, and its successors and assigns. The "Board of Directors" or "Board" shall be the elected body having its normal meaning under Florida law. The use of the term "association" or "associations" in lower case shall refer to any other association having jurisdiction over any part of the Properties.

Section 3. "Common Area" shall mean the real property legally described in Exhibit "B" ("Common Area Initially Submitted") attached hereto and incorporated herein by reference, together with any and all areas dedicated now or hereafter to the Association. Additionally, improvements on such tracts, including without limitation all structures, recreational facilities, offstreet parking areas, private streets, sidewalks, street lights and entrance features, but excluding any public utility installations thereon; and any personal property which the Association now or hereafter owns or otherwise holds for the common use and enjoyment of the Owners.

At such time as unplatted property submitted to this Declaration is platted, Declarant shall file a supplement to this Declaration, supplementing Exhibit "B" and specifying the Common Area within the newly platted property.

Declarant may convey to the Association additional real estate, improved or unimproved, located within the Properties. Upon such a conveyance or dedication to the Association, the additional real estate shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of all its Members.

Section 4. "Common Expenses" shall mean and include the actual and estimated expenses of operating the Association, both for general and Neighborhood purposes, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws, and the Articles of Incorporation of the Association.

Section 5. "Community" shall mean Villa San Remo.

Section 6. "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard may be more specifically determined and set forth by the New Construction Committee.

Section 7. "General Assessment" shall mean and refer to assessments levied to fund expenses applicable to all Members of the Association.

Section 8. "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

Section 9. "Neighborhood" shall mean and refer to separately designated, developed residential areas comprised of similar types of housing which initially or by amendment are made subject to this Declaration; for example, and by way of illustration and not limitation, duplexes, townhomes, patio homes, and condominiums. Initially, there are three (3) Neighborhoods. The initial Neighborhoods shall be as follows:

Neighborhood 'A' - Boca Azul Phase One, according to the plat thereof, recorded in Plat Book 41, Page 191, Public Records of Palm Beach County, Florida, less and except Tracts L-1, L-2, Buffer and Drainage Easement, and Utility Easement, all as shown thereon.

Neighborhood 'B' - Townhomes located in Boca Azul Phase Two, according to the plat thereof, recorded in Plat Book 60, Page 157, and in Boca Azul Phase Three, according to the plat thereof, recorded in Plat Book 61, Page 108, Public Records of Palm Beach County, Florida.

Neighborhood 'C' - Condominiums located in Boca Azul Phase Two, according to the plat thereof, recorded in Plat Book 60, Page 157, Public Records of Palm Beach County, Florida.

At such time as unplatted property submitted to this Declaration is platted, Declarant shall file a supplement to this Declaration specifying the Neighborhoods within the newly platted property. In addition, the Declarant shall designate in any Subsequent Amendment adding property to the terms and conditions of this Declaration that such Properties shall be a part of an existing Neighborhood or Neighborhoods or shall constitute a separate Neighborhood or Neighborhoods. Where the context permits or requires, the term Neighborhood shall also refer to the Neighborhood committee or association having jurisdiction over the Neighborhood.

Section 10. "Neighborhood Assessments" shall mean assessments for common expenses provided for herein or by any Subsequent Amendment which shall be used for the purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Units against which the specific Neighborhood Assessment is levied and of maintaining the Properties within a given Neighborhood, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized below.

The Neighborhood Assessment shall be levied equally against Owners of Units in a Neighborhood for such purposes as are authorized by this Declaration or by the Board of Directors from time to time, provided that in the event of assessments for exterior maintenance of structures, or insurance on structures, or replacement reserves which pertain to particular structures (pursuant to an amendment to this Declaration), such assessments (that are for the use and benefit of particular Units) shall be levied on a pro rata basis among benefited Owners.

Section 11. "Owner" shall mean and refer to one or more persons or entities who hold the record title to any Unit which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is sold under a recorded contract for deed, and the contract specifically provides, the purchaser (rather than the fee owner) will be considered the Owner.

Section 12. "Person" means a natural person, a corporation, a partnership, trustee, or other legal entity.

Section 13. "Properties" shall mean and refer to the real property described in Exhibit "A" attached hereto and shall further refer to such additional property as may hereafter be annexed by Subsequent Amendment to this Declaration or which is owned by the Association.

Section 14. "Recreational Facility" shall mean a portion of the Common Area which shall include a swimming pool, tennis courts and recreational building.

Section 15. "Site Plan" shall mean and refer to the plan for development of the Properties prepared by Stanley/Wantman, Inc., labeled Boca Azul phases two, three, four and five, and the Site Plan for Boca Azul Phase 1.

Section 16. "Special Assessment" shall mean and refer to assessments levied in accordance with Article X, Section 3 of this Declaration.

Section 17. "Subsequent Amendment" shall mean an amendment to this Declaration which adds additional property to that covered by this Declaration, which corrects scrivener's errors of this Declaration, or which alters the terms hereof. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on the land submitted by that Amendment to the provisions of this Declaration.

Section 18. "Unit" shall mean a portion of the Properties intended for use and occupancy as a residence for single family and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation) patio or zero lot line homes, duplexes, townhomes and condominiums, as may be developed, used, and defined as herein provided or as provided in Subsequent Amendments covering all or a part of the Properties; provided, further, the term shall also include all portions of the lot owned including any structure thereon.

For the purposes of this Declaration, a Unit shall come into existence upon the issuance of a certificate of occupancy by the appropriate agency of Palm Beach County, Florida, or other local governmental entity.

ARTICLE II PROPERTY RIGHTS

Every Owner shall have a right and easement of enjoyment in and to the Common Area subject to this Declaration and subject to any restrictions or limitations contained in any deed or amendment to this Declaration conveying to the Association or subjecting to this Declaration such property. Any Owner may delegate his or her right of enjoyment to the members of his or her family, tenants, and social invitees subject to reasonable regulation by the Board and in accordance with procedures it may adopt.

The Board of Directors by resolution may extend permission to recognized community leagues, or religious or school groups to use certain of the recreation facilities within the Properties subject to such terms and conditions as the Board may impose.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner shall be deemed to have a membership in the Association. No Owner, whether one or more persons, shall have more than one (1) membership per Unit owned. In the event the Owner of a Unit is more than one person or entity, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership may be exercised by a Member or the Member's spouse. The membership rights of a Unit owned by a corporation or partnership shall be exercised by the individual designated in a written instrument provided to the Secretary.

Section 2. Voting. The Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A" Class "A" Members shall be all Owners with the exception of the Class "B" Members, if any.

Class "A" Members shall be entitled to one (1) vote for each Unit in which they hold the interest required for membership by Section 1 hereof; there shall be only one (1) vote per Unit.

In any situation where a Member is entitled personally to exercise the vote for his or her Unit, and more than one person or entity holds such interest in any Unit, the vote for such Unit shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Unit's vote shall be suspended in the event more than one person or entity seeks to exercise it.

Any Owner of Units which are leased may, in the lease or other written instrument, assign the voting right appurtenant to that Unit to the lessee, provided that a copy of such instrument is furnished to the Secretary prior to any meeting. Such an assignment shall entitle the lessee to exercise the vote for the Unit only in situations where a Member is entitled personally to exercise the vote for his or her Unit.

Representation of Class "A" Members on the Board of Directors prior to the termination of Class "B" status as provided for in subsection (b) below is governed by Article III, Section 6, of the Bylaws.

(b) Class "B". The Class "B" Member shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale, and who is designated as such in

a recorded instrument executed by Declarant. The Class "B" Member shall be entitled to one vote for each Unit in which it holds the interest required for membership under Section 1 hereof. The rights of the Class "B" Member, including the right to approve actions taken under this Declaration and the Bylaws, are specified elsewhere in this Declaration and the Bylaws. Notwithstanding any provision to the contrary, the Class "B" Member shall be entitled to appoint a majority of the members of the Board of Directors as long as the Class "B" member exists. The Class "B" membership shall terminate and become converted to Class "A" membership upon the happening of the earlier of the following:

- (i) when the Declarant no longer holds the title to any portion of the Properties.
- (ii) January 1, 1998; or
- (iii) when, prior to January 1, 1998, in its discretion, the Declarant so determines.

From and after the happening of these events, whichever occurs earlier, the Class "B" Member shall be deemed to be a Class "A" Member entitled to one (1) vote for each Unit in which it holds the interest required for membership under Section 1 hereof. Within one hundred twenty (120) days thereafter, the Declarant shall call a meeting, as provided in the Bylaws of the Association for Special meetings, to advise the membership of the termination of Class "B" status.

ARTICLE IV MAINTENANCE

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Area of Common Responsibility, except those areas designated as the Neighborhood's responsibility in Section 2 below, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all lawns, landscaping and other flora, all lakes, streets, street lighting, all sprinkler systems (for Common Area and Units), mail boxes and recreational facilities. The Association shall provide landscape maintenance and replacement of all landscaping and other flora surrounding each building of any condominium, as such areas may require it. The Association shall provide lawn and landscape maintenance and replacement for each Unit. The obligations of the Association as described herein with respect to Unit landscaping shall extend only to landscaping originally installed by the Declarant.

The Association may, in the discretion of its Board, assume the maintenance responsibilities in a Neighborhood or any portion of the Properties as set out in this Declaration or in any Subsequent Amendment or declaration subsequently recorded. In such event, all costs of such maintenance shall be assessed only against those Members residing in the Neighborhood or portion of the Properties to which the services are provided. This assumption of responsibility may take place either by contract or agreement or because, in the opinion of the Board, the level and quality of service then being provided is not consistent with the Community-Wide Standard of the Properties. The provision of services in accordance with this Section shall not constitute discrimination within a Neighborhood or portion of the Properties.

Section 2. Neighborhood's Responsibility. The Neighborhood shall maintain and keep in good repair the exterior paint of the Units and exterior Unit surfaces (both on a periodic basis), roof, gutters and downspouts (all on a periodic basis), exterior light fixtures and fences. Costs of such maintenance shall be assessed only against those Members residing in the Neighborhood to which the services are provided. The obligations of the Neighborhood as described herein shall extend only to those buildings, gutters, downspouts, exterior light fixtures and fences as were originally installed by the Developer.

Section 3. Owner's Responsibility. In accordance with this Declaration and any additional declaration and Subsequent Amendments to this Declaration which may be filed on portions of the Properties, all maintenance of a Unit and all structures and other improvements within a Unit shall be the sole responsibility of the Owner thereof who shall perform such maintenance in a manner consistent with the Community-Wide Standard of the Properties and the applicable covenants. If this work is not properly performed by the Owner, the Association may perform it and assess the Owner; provided, however, except when entry is required due to an emergency situation, the Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry. In addition, a Neighborhood may assume responsibility for total or partial maintenance of all or a portion of a Unit, if such assumption of responsibility is approved by the vote or written consent of the majority of the Members within that Neighborhood.

ARTICLE V
INSURANCE AND CASUALTY LOSSES

Section 1. Insurance. The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket all-risk insurance, if reasonably available, for all insurable improvements on the Common Area and may, but shall not be obligated to, by written agreement with any Neighborhood, assume the responsibility for providing the same insurance coverage on the Properties contained within the Neighborhood. If blanket all-risk coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred (100%) percent of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

In addition to casualty insurance on the Common Area, the Association may, but shall not under any circumstances be obligated to, obtain and continue in effect adequate blanket all-risk casualty insurance in such form as the Board of Directors deems appropriate for one hundred (100%) percent of the replacement cost of all structures located on Properties. If the Association elects not to obtain such insurance, then an individual Neighborhood may obtain such insurance as a common expense of the Neighborhood to be paid by Neighborhood Assessments, as defined in Article X hereof. In the event such insurance is obtained by either the Association or a Neighborhood, the provisions of this Article shall apply to policy provisions, loss adjustment, and all other subjects to which this Article applies with regard to insurance on the Common Area. All such insurance shall be for the full replacement cost. All such policies shall provide for a certificate of insurance for each Member insured to be furnished to the Association or Neighborhood, as applicable.

The Board shall also obtain a public liability policy covering the Common Area, the Association and its Members for all damage or injury caused by the negligence of the Association or any of its Members or agents. The public liability policy shall have at least a One Million (\$1,000,000.00) Dollar single person limit as respects bodily injury and property damage, a Three Million (\$3,000,000.00) Dollar limit per occurrence, if reasonably available, and a Five Hundred Thousand (\$500,000.00) Dollar minimum property damage limit.

Unless higher insurance requirements are contained in any covenants or restrictions for any Neighborhood, the following shall apply: insurance obtained on the Properties contained within any Neighborhood, whether obtained by such Neighborhood or

the Association, shall meet the requirements of this Section 1. Costs of such coverage shall be a charge to the Members residing within such Neighborhood.

Premiums for all insurance on the Common Area shall be common expenses of the Association; premiums for insurance provided to Neighborhoods shall be charged to those Neighborhoods. The policy may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the party who would be responsible for the repair in the absence of insurance and in the event of multiple parties shall be allocated in relation to the amount each party's loss bears to the total.

Cost of insurance coverage obtained by the Association for the Common Area shall be included in the General Assessment, as defined in Article I, and as more particularly described in Article X.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for the respective benefited parties, as further identified in (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in Florida which holds a Best's rating of A or better and is assigned a financial size category of XI or larger as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating.

(b) All policies on the Common Area shall be for the benefit of the Owners and their Mortgagees as their interests may appear; all policies secured at the request of a Neighborhood shall be for the benefit of the Owners and their Mortgagees of Units within the Neighborhood.

(c) Exclusive authority to adjust losses under policies in force on the Properties obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgagees.

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Palm Beach County, Florida, area.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and their respective tenants, servants, agents, and guests;

(ii) a waiver by the insurer of its rights to repair, and reconstruct, instead of paying cash;

(iii) that no policy may be canceled, invalidated or suspended on account of any one or more individual Owners;

(iv) that no policy may be canceled, invalidated, or suspended on account of the conduct of any Director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner, or mortgagee;

(v) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vi) that no policy may be canceled or substantially modified without at least ten (10) days' prior written notice to the Association.

(g) The Association's Board of Directors may, in their discretion, obtain such other types of insurance for the Association as they deem necessary.

In addition to the other insurance required by this Section, the Board shall obtain, as a common expense, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds on Directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the Directors best business judgment but may not be less than

three (3) months assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled or substantially modified without at least ten (10) days' prior written notice to the Association.

Section 2. Individual Insurance. By virtue of taking title to a Unit subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket all-risk casualty insurance on the Unit(s) and structures constructed thereon as provided for in Section 1 of this Article V, unless the Neighborhood in which the Unit is located or the Association carries such insurance. Each Owner further covenants and agrees that in the event of a partial loss, or damage and destruction resulting in less than total destruction of structures comprising his Unit, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction, and the Owner shall pay the costs of any repair or reconstruction which are not covered by insurance proceeds. In the event that the structure is totally destroyed, the Owner may decide not to rebuild or to reconstruct, in which case the Owner shall clear the Unit of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and the Owner shall continue to maintain the Unit in a neat and attractive condition.

A Neighborhood may impose more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Unit and the standard for returning the Unit to its natural state in the event the structures are not rebuilt or reconstructed.

Section 3. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Area or, in the event no repair or reconstruction is made, after making such settlement as is necessary and appropriate with the affected Owner or Owners and their mortgagee(s) as their interests may appear, shall be retained by and for the benefit of the Association and placed in the capital reserves account. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

(b) If it is determined, as provided for in Section 4 of this Article, that the damage or destruction to the Common Area for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner provided for excess proceeds in subsection (a) above.

Section 4. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Properties covered by insurance written in the name of the Association, the Board of Directors, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed Properties. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Properties to substantially the same condition in which they existed prior to the fire or other casualty.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless the Members representing at least seventy-five (75%) percent of the total vote of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. Any damage or destruction to the common property of any Neighborhood shall be repaired or reconstructed unless Owners of seventy-five (75%) percent of the Units in that Neighborhood shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No mortgagee shall have the right to participate in the determination of whether the Common Area damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined in the manner described above that the damage or destruction to the Common Area or to the common property of any Neighborhood shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the affected portion of the Properties shall be restored to their natural state and maintained by the Association or Neighborhood in a neat and attractive condition.

Section 5. Repair and Reconstruction. If the damage or destruction to the Common Area or to the common property of a Neighborhood for which the insurance proceeds are paid is to be

repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Members, levy a Special assessment against all Owners on the same basis as provided for General Assessments; provided, if the damage or destruction involves the common property of a Neighborhood, only the Owners of Units in the affected Neighborhood shall be subject to such assessment. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE VI
NO PARTITION

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

ARTICLE VII
CONDEMNATION

Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of all Owners) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as Trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant, so long as the Declarant owns any property described in Exhibit "A" of this Declaration, and Members representing at least seventy-five (75%) percent of the total vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in

respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

ARTICLE VIII
ACQUISITION OF PROPERTY

Section 1. Acquisition of Additional Common Area. Declarant may convey to the Association additional real estate, improved or unimproved, located within the Properties. Upon such conveyance or dedication to the Association, the additional real estate shall be accepted by the Association at its expense for the benefit of all its Members.

Section 2. Amendment. This Article shall not be amended without the written consent of Declarant, so long as the Declarant owns any property described in Exhibit "A".

ARTICLE IX
RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Common Area and Rights-of-Way. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas), and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof.

Section 2. Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, will accept any real or personal property, leasehold, or other property interests within the Properties conveyed to it by the Declarant.

Section 3. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Properties, which rules and regulations shall be consistent with the rights and duties

established by this Declaration. Sanctions may include reasonable monetary fines, which shall be levied as a Special Assessment as provided in Article X, Section 3, of this Declaration, and suspension of the right to vote and the right to use the recreational facilities. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the Bylaws of the Association. In addition, the Association, through the Board, may, by contract or other agreement, enforce court ordinances or permit Palm Beach County to enforce ordinances on the Properties for the benefit of the Association and its Members.

Section 4. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 5. Powers of the Association with Respect to Neighborhoods. The Association shall have the absolute power to veto any action taken or contemplated to be taken by any Neighborhood, and the Association shall have the absolute power to require specific action to be taken by any Neighborhood in connection with the Neighborhood's obligations and responsibilities hereunder or under any other covenants affecting the Properties. Without limiting the generality of the foregoing, the Association may veto any decision of any Neighborhood (or architectural control board or other committee thereof), and the Association may require specific maintenance or repairs or aesthetic changes to be effectuated, require that a proposed budget include certain items and that expenditures be made therefor, veto or cancel any contract providing for maintenance, repair or replacement of the property governed by such Neighborhood, and otherwise require or veto any other action as the Association deems appropriate from time to time.

Any action required by the Association to be taken or abated by a Neighborhood must be served by written notice to the Neighborhood, and the Neighborhood shall be permitted fifteen (15) days from receipt of such notice to comply with the requirements of the notice. If the Neighborhood fails to comply with the requirements set forth in such written notice, the Association shall have the right to effect such action on behalf of the Neighborhood and shall assess the Units contained within such Neighborhood for their pro rata share of any expenses incurred by the Association under the circumstances (to cover the Association's administrative expenses in connection with the foregoing and to discourage failure to comply with the

requirements of the Association) in the manner provided in Article X, Section 3. Such assessments may be collected as a Special Assessment hereunder and shall be subject to all lien rights provided for herein.

ARTICLE X
ASSESSMENTS

Section 1. Creation of Assessments. There are hereby created assessments for Common Expenses as may be from time to time specifically authorized by the Board of Directors to be commenced at the time and in the manner set forth in Section 6 of this Article. Assessments shall be allocated equally for all Units; provided, however, anything herein to the contrary notwithstanding, Declarant may annually elect in writing either of the following alternatives as a method of paying its assessments:

(a) pay the assessments set forth in this Section for an Owner of a Unit; or

(b) pay to the Association in the form of a subsidy, or an "in kind" contribution of services or materials or a combination of services and materials, the difference between the amount received in assessments from all Owners other than Declarant and the amount of the actual expenditures required to operate the Association for the year.

Payment under either of the foregoing options shall constitute full payment of all assessments owed under this Declaration.

Neighborhood Assessments shall be levied against Units in particular portions of the Properties for whose benefit Common Expenses are incurred which benefit less than the Association as a whole. Each Owner, by acceptance of his or her deed or recorded contract of sale, is deemed to covenant and agree to pay these assessments. All such assessments, together with interest at the maximum rate allowed by law as computed for the date the delinquency first occurs, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Unit against which each assessment is made.

Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Unit at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance to the extent expressly assumed, except no first mortgagee who obtains title to a Unit pursuant to

the remedies provided in the mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any particular Unit. Such certificate shall be conclusive evidence of payment of such assessment to the Association therein stated to have been paid. The Association may require the advance payment of a processing fee not to exceed Fifty (\$50.00) Dollars for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual assessment for delinquents; unless the Board otherwise provides, the assessments shall be paid in quarterly installments.

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, by non-use of Common Areas or abandonment of the Unit. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

Notwithstanding the foregoing, Owners in Neighborhood 'A', who are Association members in good standing, shall have the option to use or not use the Recreational Facility. Election of the option to use the Recreational Facility must be made by Owners in Neighborhood 'A' on or before 90 days after completion of the recreational facilities and the issuance of the Certificate of Occupancy for the recreational facilities. In the event an Owner elects to use the Recreational Facility on or before 90 days after issuance of the Certificate of Occupancy for the recreational facilities, he must so notify the Association in writing and he shall be required to execute a joinder to this Declaration to be recorded in the Public Records of Palm Beach County, Florida, which shall subject the Unit to the terms of this provision for the term of this Declaration. Owners failing to make the election to use the Recreational Facility on or before 90 days after issuance of the Certificate of Occupancy for

the Recreational Facility, shall not have the option to make the election to use the Recreational Facility subsequent to that date, nor shall subsequent owners of that Unit have the option. Neighborhood 'A' Owners electing to use the Recreational Facility shall pay, in addition to the regular assessment for Neighborhood 'A' Owners, an additional assessment for Association expenses related to the Recreational Facility.

Prior to completion of construction of the Recreational Facility, Declarant shall notify all Owners in Neighborhood 'A' of the option to use the Recreational Facility pursuant to the terms set forth in the immediately preceding paragraph. Additionally, Declarant will send notice to all Owners in Neighborhood 'A' of completion of the Recreational Facility within five (5) days subsequent to the issuance of the certificate of occupancy for the Recreational Facility. Both of the notices shall be sent to the Owners' mailing address as it is listed on the Association roster by certified mail, with a return receipt requested.

The Association is specifically authorized to enter into subsidy contracts or contracts for the "in kind" contribution of services or materials or a combination of services and materials, with Declarant for the payment of some portion of the common expenses.

Section 2. Computation of Assessment. It shall be the duty of the Board, at least sixty (60) days before the beginning of the fiscal year and thirty (30) days prior to the meeting at which the budget shall be presented to the Members, to prepare a budget covering the estimated costs of operating the Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared, and shall separately list Community and Neighborhood expenses. The Board shall cause a copy of the budget, and the amount of the assessments to be levied against each Unit for the following year to be delivered to each Owner at least fifteen (15) days prior to the meeting. The budget and the assessments shall become effective unless disapproved at the meeting by a vote of Members representing at least a majority of the total Class "A" vote in the Association, and the Class "B" Member.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

The Board may not, without the vote or written consent of Members representing a majority of the Class "A" votes of the Association, and of the Class "B" Member, if such exists, impose a General Assessment per Unit which exceeds the General Assessment per Unit for the immediately preceding fiscal year by more than fifteen (15%) percent; provided, however, in determining whether any increase is within the limitation imposed by this paragraph, the amount of any increase due to increased cost of utilities or insurance, damage by acts of God, and increases in the reserve fund shall not be included.

Section 3. Special Assessments. In addition to the assessments authorized in Section 1 of this Article, the Association may levy a Special Assessment or Special Assessments in any year applicable to that year; provided, however, such assessment shall have the vote or written consent of Members representing fifty-one (51%) percent of the Class "A" vote in the Association and of the Class "B" Member, if such exists. The Association may also levy a Special Assessment against any Member to reimburse the Association for costs incurred in bringing a Member and his Unit into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the Bylaws, and the Association Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing. The Association may also levy a Special Assessment against any Neighborhood to reimburse the Association for costs incurred in bringing the Neighborhood into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the Bylaws, and the Association Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the senior officer thereof and an opportunity for a hearing.

Section 4. Lien for Assessments Upon recording of a claim of lien, there shall exist a perfected lien for unpaid assessments on the respective Unit, subject to the provisions of Section 7 hereof. Such lien, when delinquent, may be enforced by suit, judgment, and foreclosure.

The Association, acting on behalf of the Owners, shall have the power to bid for the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Unit is owned by the Association following foreclosure: (a) No right to vote shall be exercised on its behalf; (b) no assessment shall be assessed or levied on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid common expenses and attorney's fees shall be

maintainable without foreclosing or waiving the lien securing the same. After notice and an opportunity for a hearing, the Board may temporarily suspend the voting rights of a Member who is in default in payment of any assessment.

Section 5. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence on a Unit on the first day of the month following the date on which a certificate of occupancy is issued on the Unit. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual assessment shall be adjusted according to the number of months then remaining in that fiscal year.

Section 6. Subordination of the Lien to First Mortgages. The lien of assessments, including interest, late charges (subject to the limitations of Florida laws), and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Unit. The sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first Mortgage of record or other purchaser of a Unit obtains title, its successors and assigns shall not be liable for the share of the common expenses or assessments by the Association chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Units, including such acquirer, its successors and assigns.

Section 7. Capitalization of Association. Upon acquisition of record title to a Unit by conveyance from Declarant, a contribution shall be made by or on behalf of the Owner to the capital of the Association in an amount equal to two monthly assessments for that year levied upon the Unit as determined by the Board. This amount shall be deposited into the purchase and sales escrow and disbursed therefrom to the Association. Owners who have acquired record title to a Unit prior to the recordation of this Declaration are not required to make this capital contribution.

Section 8. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from payment of General Assessments, Neighborhood Assessments, and Special Assessments:

- (a) all Common Area; and
- (b) all Property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, and public parks.

ARTICLE XI
ARCHITECTURAL STANDARDS

The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the committees established in this Article. This Article may not be amended without the Declarant's written consent so long as the Declarant retains a veto power over the actions of the Board of Directors pursuant to Article III of the Bylaws.

No construction, which term shall include within its definition staking, clearing, excavation, grading, and other site work, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements thereof have been fully met, and until the approval of the appropriate committee has been obtained.

Section 1. New Construction Committee. The New Construction Committee (NCC) shall have exclusive jurisdiction over all original construction on any portion of the Properties. Until one hundred (100%) percent of the Properties have been developed and conveyed to purchasers in the normal course of development and sale, the Declarant retains the right to appoint all members of the NCC, which shall consist of at least three (3), but no more than five (5) persons. There shall be no surrender of this right prior to that time, except in a written instrument in recordable form executed by Declarant. Upon the expiration of such right, the Board of Directors shall appoint the members of the NCC in the same manner as provided in Section 2 of this Article for the Modifications Committee.

Section 2. Modifications Committee.

The Modifications Committee (MC) shall consist of at least three (3) and no more than five (5) members, all of whom shall be appointed by the Board of Directors. The MC shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing Units or structures containing Units and the open space, if any, appurtenant thereto; provided, however, the MC may delegate this authority to the appropriate board or committee of any Neighborhood subsequently created or subsequently subjected to this Declaration so long as the MC has determined

that such board or committee has in force review and enforcement practices, procedures and appropriate standards at least equal to those of the MC. Such delegation may be revoked and jurisdiction reassumed at any time by written notice.

The MC shall promulgate detailed standards and procedures governing its areas of responsibility and practice. In addition thereto, the following shall apply. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations, shall be submitted to the MC for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired. In the event that the MC fails to approve or to disapprove such plans or to request additional information reasonably required within forty-five (45) days after submission, the plans shall be deemed approved.

Section 3. No Waiver of Future Approvals. The approval of either the NCC or MC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

ARTICLE XII USE RESTRICTIONS

The Properties shall be used only for residential, recreational, and related purposes as may more particularly be set forth in this Declaration, amendments thereto or subsequently recorded declarations creating associations subject to this Declaration. The Association, acting through the Board of Directors, shall have standing and power to enforce use restrictions contained in any such declaration as if such provisions were a regulation of the Association.

The Association, acting through its Board of Directors, shall have authority to make and to enforce standards and restrictions governing the use of Units and Common Area, including common property of any Neighborhood, in addition to those contained

herein, and to impose reasonable user fees for facilities, including, but not limited to vehicle storage areas, pathway systems, swimming pools, tennis courts, community center and parking facilities, if any. Such regulations and use restrictions shall be binding upon all Owners and occupants until and unless overruled, canceled or modified in a regular or special meeting of the Association by Members representing a majority of the total Class "A" votes in the Association and by the vote of the Class "B" Member, so long as such membership shall exist.

The declaration or other creating document for any association may impose stricter standards than those contained in this Article. The Association, acting through its Board of Directors, shall have standing and the power to enforce such standards.

Section 1. Signs. No sign of any kind shall be erected by an Owner within the Properties without the written consent of the Board of Directors. The Board of Directors or Declarant shall have the right to erect signs.

Section 2. Parking and Garages. Owners shall park only in their garages or in the driveways serving their Units or appropriate spaces or designated areas in which parking may or may not be assigned and then subject to such reasonable rules and regulations as the Board of Directors may adopt. All commercial vehicles, tractors, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, and boat trailers must be parked entirely within a garage, unless otherwise permitted by the Board. No garage may be altered in such a manner that the number of automobiles which may reasonably be parked therein after the alteration is less than the number of automobiles that could have reasonably been parked in the garage as originally constructed.

Section 3. Occupants Bound. All provisions of the Declaration and of any rules and regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants of any Unit.

Section 4. Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Unit, with the exception of dogs, cats, or other usual and common household pets but no more than a total of two (2) dogs and two (2) cats. The keeping of a dog or other domestic pet at the condominium is not a right of an Owner but is a conditional license. This conditional license is subject to termination at any time by the Board of Directors upon a finding that a dog or other pet is vicious, is annoying to other residents, or has in any way become a nuisance. The Owner of a pet assumes liability

for all damage to persons or property caused by the pet or resulting from its presence at the Properties.

This license is subject to the following conditions:

A. Pets shall be kept on a leash at all times when outside the Unit.

B. Pets are permitted to have excrements upon the Common Area provided that the Owner shall immediately remove such excrement from the Common Area with a "Pooper-Scooper" or other appropriate tool and deposit said waste in an approved trash receptacle.

C. The Owner of a pet shall be responsible, and by virtue of ownership, assumes responsibility for any damage to persons or property caused by his pet(s).

D. Any pet whose Owner violates the provisions and intent of this Rule shall be deemed a nuisance in accordance with Section 5 of this Article and subject to removal in accordance with the provisions of the Declaration.

Section 5. Nuisance. It shall be the responsibility of each owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Unit. No Unit shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Unit that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding Property. No noxious or offensive activity shall be carried on upon any Unit, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property adjacent to the Unit. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Properties.

Section 6. Unsightly or Unkept Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkept conditions, shall not be pursued or undertaken on any part of the Properties.

Section 7. Antennas. No exterior antennas, aerials, satellite dishes or other apparatus for the transmission of television, radio or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Properties, including any Unit, without the prior written consent of the Board or its designee. The Declarant and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish or other apparatus for a master antenna or cable system for the benefit of all or a portion of the Properties, should any such master system or systems be utilized by the Association and require any such exterior apparatus.

Section 8. Clotheslines, Garbage Cans, Tanks, Etc. All clotheslines, garbage cans, above-ground tanks, and other similar items shall be located or screened so as to be concealed from view of neighboring Units, streets, and property located adjacent to the Unit. All rubbish, trash, and garbage shall be regularly removed from the Unit and placed outside in the appropriate area for pick-up on scheduled pick-up days only.

Section 9. Subdivision of Unit. No Unit shall be subdivided or its boundary lines changed except with the prior written approval of the Board of Directors of the Association. Declarant, however, hereby expressly reserves the right to replat any Unit or Units. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations.

Section 10. Guns. The use of firearms within the Properties is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size.

Section 11. Pools. No above-ground pools shall be erected, constructed or installed on any Unit.

Section 12. Irrigation. No sprinkler or irrigation systems of any type which draw upon water from lakes, canals or other waterways within the Properties shall be installed, constructed or operated within the Properties unless prior written approval has been received from the NCC or Declarant. All sprinkler and irrigation systems shall be subject to approval in accordance with Article XI of this Declaration and shall draw water only from city water supplies or wells.

Section 13. Tents, Trailers and Temporary Structures. Owners or occupants shall not place upon a Unit or any part of the Properties any tent or trailer or any structure of a temporary nature, such as a tent, shack, or utility shed.

Section 14. Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or occupant may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers or storm drains. Declarant hereby reserves a Perpetual easement across the Properties for the Purpose of altering drainage and water flow.

Section 15. Tree Removal. No trees shall be removed except for (a) diseased or dead trees; and (b) trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved in accordance with Article XI of this Declaration.

Section 16. Site Distance at Intersections. All Property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge or shrub planting shall be placed or permitted to remain where this would create a traffic or sight problem.

Section 17. Utility Lines. No overhead utility lines, including lines for cable television, shall be permitted within the Properties, except for temporary lines as required during construction.

Section 18. Air Conditioning Units. Except as may be permitted by the Board or its designee, no window air conditioners may be installed in any Unit.

Section 19. Window Treatments. All interior window treatments must have a neutral colored backing. No reflective materials shall be used on window treatments or placed in or on windows.

Section 20. Lighting. Except for seasonal Christmas decorative lights, all exterior lights must be approved in accordance with Article XI of this Declaration.

Section 21. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Properties. Other exterior planting, sculpture, fountains, flags, and similar items must be approved in accordance with Article XI of this Declaration.

Section 22. Energy Conservation Equipment. Solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed as an integral and harmonious part of the architectural design of a structure as determined in the sole discretion of the appropriate committee pursuant to Article XI hereof.

Section 23. Lakes. The following use restrictions apply to the lakes located within the Properties.

- (a) Swimming is prohibited.
- (b) The use of motorized vehicles is prohibited.
- (c) Sailboats, row boats, windsurfers and other boats without engines or motors are prohibited.
- (d) Further rules and regulations regarding the use of lakes may be adopted by the Board of Directors

Section 24. Rental or Lease. A Unit shall not be leased or rented without the prior written approval of the Association, which approval shall not be unreasonably withheld, except that the Developer may lease or rent Developer-owned units without the approval of the Association. Approval or disapproval shall be given by the Board within thirty (30) days from receipt of all information requested by the Board in connection with the proposed lease. The Board of Directors shall have the right to require that a substantially uniform form of lease be used. No lease may be made for less than a four (4) month period, nor shall any transient accommodations be provided. With respect to Neighborhood "A", no Unit may be leased more than twice during any twelve-month period. With respect to all other Neighborhoods, no Unit may be leased more than once during any twelve-month period.

In the event that the Board of Directors approves a rental or lease, such approval of a lease or rental shall not release the member from any obligation under this Declaration. Further, such approved lease may not be modified, amended, extended, or assigned, nor may the Unit be sublet to any other party without the Board's prior written consent.

ARTICLE XIII PARTY WALLS

Section 1. General. Each wall built as part of the original construction of any attached, non-condominium, single-family dwelling constructed upon the Neighborhoods and placed on the dividing line between the lots thereof shall constitute a party wall, and each Owner shall own that portion of the wall which stands on his own lot, with a cross-easement of support in the other portion. No Owner shall be permitted to break through a party wall to create an opening between two (2) Units.

Section 2. Sharing of Costs of Repair and Maintenance. The costs of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore the same, but no greater dimension of said party wall, or of any extension or restriction thereof, shall be placed upon the land of the Owner not extending, constructing or restoring said party wall than that existing prior to such fire or other casualty, without the written consent of the latter first obtained. No part of any addition to the dimensions of said party wall, or of any extension thereof already built, that may be made by either of said Owners, or by those claiming under them respectively, shall be placed upon the land of the other Owner, without the written consent of the latter first obtained. Each Owner is hereby granted a mutual easement by the Owners of lots with adjoining party walls for the purpose of conducting such repair or maintenance to the party walls as may reasonably be required hereunder. If the other Owner thereafter makes use of the wall, he shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution under any rule of law regarding liability for negligent or will full acts or omissions. In the event an Owner fails or refuses to conduct required repairs to a party wall, the Mortgagee(s), if any, of the Units affected by such damaged party walls shall have the right to enter the Units and conduct any necessary repair to the party walls that an Owner is authorized to conduct.

Section 4. Weather Proofing. Notwithstanding any other provision of this Article, any Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owners' successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall or under the provisions of this Article each party shall choose one arbiter, and such arbiters shall choose one additional arbiter, and the decision of a majority of all the arbiters shall be final and conclusive of the question involved.

ARTICLE XIV
GENERAL PROVISIONS

Section 1. Term. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Properties subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same.

Section 2. Amendment. Prior to the closing of the first Unit, Declarant may amend this Declaration. After such closing, the Declarant may amend this Declaration so long as it still owns property described in Exhibit "B" for development as part of the Properties and so long as the amendment has no adverse effect upon any right of any Owner; thereafter and otherwise, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Members representing seventy-five (75%) percent of the total votes of the Association, including seventy-five (75%) percent of Members other than the Declarant. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment must be recorded in the Public Records of Palm Beach County, Florida.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

Section 3. Indemnification. The Association shall indemnify every officer, director, and committee member against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or

other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available. The Association's Board of Directors may, in their discretion, obtain such other types of insurance for the Association as they deem necessary.

Section 4. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association, his or her right of enjoyment of the Common Area and facilities to the members of his or her family, tenants, and social invitees.

*

Section 5. Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Unit and such portion or portions of the Common Area adjacent thereto or as between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than one (1) foot, as measured from any point on the common boundary between each Unit and the adjacent portion of the Common Area or as between said adjacent Units, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of an Owner, tenant, or the Association.

Section 6. Easements for Utilities, Governmental Services, Etc. Declarant hereby reserves for itself and its designees (including, without limitation, Palm Beach County, and any utility) blanket easements upon, across, over, and under all of the Common Area and to the extent shown on any plat over the Units for ingress, egress, installation, replacing, repairing, and maintaining cable television systems, master television antenna systems, security, and similar systems, walkways, and all utilities, including, but not limited to, water, sewers, meter boxes, telephones, gas, electricity, and governmental services. Governmental Services shall include police and fire protection and postal service. This reserved easement may be assigned by Declarant by written instrument to the Association, and the Association shall accept the assignment upon such terms and conditions as are acceptable to Declarant. If this reserved

easement is assigned to the Association, the Board shall, upon written request, grant such easements as may be reasonably necessary for the development of any Properties described in Exhibit "A" or that may be annexed in accordance with Article VIII of this Declaration.

Without limiting the generality of the foregoing, there are hereby reserved for Palm Beach County, Florida, and the applicable utility companies easements across all Units on the Properties for ingress, egress, installation, reading, replacing, repairing, and maintaining meter boxes for water, gas, electricity or other utilities, as required.

Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on said Properties, except as may be approved by the Association's Board of Directors or as provided in the development and sale by Declarant. Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easement on said Properties without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Properties.

The Board shall have, by a two-thirds (2/3) vote, the power to dedicate all or part of the Common Area to Palm Beach County, or other local, state, or federal governmental entity.

Section 7. Easement for Unit Maintenance. For the purpose solely for performing the exterior maintenance authorized in Article IV, Sections 1 and 2, the Association and the Neighborhoods, through their duly authorized agents, employees or independent contractors, shall have the right, after reasonable notice to the Owner, to enter upon any Unit at reasonable hours of any day except Sunday. In the event of an emergency such right shall exist without notice and on any day, including Sunday. Each Owner grants to the Association and Neighborhoods their duly authorized agents, employees or independent contractors such easement for ingress and egress, across, through and on the Units as may be reasonably necessary to effect and perform the exterior maintenance aforementioned.

Section 8. Easement for Pedestrian Traffic. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks and other portions of the Common Area as may be from time to time intended and designated for such purpose and use; and such easements shall be for the use and benefit of Owners, Mortgagees, or tenants, and those claiming by, through or under the aforesaid.

Section 9. Additional Easements. The Declarant (during any period in which there are any unsold Units) and the Association each shall have the right to grant such additional electric, telephone, gas or other utility easements, and to relocate any existing easements in any portion of the Properties, and to grant access or other easements and relocate any existing access or other easements in any portion of the Properties, as the Declarant or the Association shall deem necessary or desirable for the proper operation and maintenance of the improvements, or any portion thereof, or for the general health or welfare of the Owners, or for the purpose of carrying out any provisions of this Declaration; provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the use of the Units for their intended purposes. The joinder of the Association, any Owner or mortgagee shall not be required in the event the Declarant declares an additional easement pursuant to the provisions hereof.

All easements, of whatever kind or character, whether heretofore or hereafter created, shall constitute a covenant running with the land, and, notwithstanding any other provision of this Declaration, may not be substantially amended or revoked in a way which would unreasonably interfere with its proper and intended use and purpose.

Section 10. Recreational Facility. Declarant reserves the right to permit Persons other than Members or Owners to use the Recreational Facility. Such Persons shall be required to pay a fee for such privilege. An easement shall exist in favor of such Persons for ingress and egress to and from the Recreational Facility over such portions of the Common Area as may be from time to time intended and designated for such purpose and use. In addition, an easement shall exist in favor of such Persons on and over the Recreational Facility for their use thereof.

Section 11. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 12. Right of Entry. The Association shall have the right, but not the obligation, to enter into any Unit for emergency, security, and safety, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to

enter a Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon request by the Board.

Section 13. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five (75%) percent of the Board of Directors. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This section shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 14. Use of the Words "Villa San Remo". No person shall use the words "Villa San Remo" or any derivative thereof in any printed or promotional material without the prior written consent of the Declarant. However, Owners may use the term "Villa San Remo" in printed or promotional matter where such term is used solely to specify that particular property is located within Villa San Remo.

Section 15. Neighborhood Governing Documents. Neighborhoods which are governed by recorded or unrecorded documents or procedures shall contain the following Provisions:

(a) The Neighborhood shall have the same fiscal year as the Association;

(b) In case of a conflict between the provisions of the Neighborhood governing documents and those of the Association, the documents of the Association shall be superior and shall prevail;

(c) All amendments to the governing documents of Neighborhood which affect the rights or interests of the Association must receive the prior written approval of the Board of Directors of the Association.

Section 16. Cable Television. The Association has the ability to enter into an exclusive and/or bulk rate agreement in order to provide cable television to all Association members.

ARTICLE XV
MORTGAGEES' RIGHTS

The following provisions are for the benefit of holders, insurers, or guarantors of first mortgages on Units in the Properties. To the extent applicable, necessary, or proper, the provisions of this Article apply to both this Declaration and to the By-Laws of the Association.

Section 1. Notices of Action. An institutional holder, insurer, or guarantor of a first mortgage, who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the unit number), therefore becoming an "eligible holder"), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Unit on which there is a first mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to the mortgage of such eligible holder, insurer, or guarantor, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first mortgage, upon request, is entitled to written notice from the Association of any default in the performance by an Owner of a Unit of any obligation under the Declaration or By-Laws of the Association which is not cured within sixty (60) days;

(c) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or

(d) any proposed action which would require the consent of a specified percentage of eligible holders.

Section 2. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing one Sections of this Article. Unless two-thirds (2/3) of the first mortgagees or Owners give their consent, the Association shall not:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Properties shall not be deemed a transfer);

(b) change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner;

(c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Units and of the Common Area;

(d) fail to maintain fire and extended coverage insurance, as required by this Declaration; or

(e) use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such Properties.

The provisions of this Section shall not be construed to reduce the percentage vote that must be obtained from mortgagees or Owners where a larger percentage vote is otherwise required for any of the actions contained in this Section.

First mortgagees may, jointly or single, pay taxes or other charges which are in default and which may or have become a charge against the Common Areas and may pay overdue premiums on casualty insurance policies, or secure new casualty insurance coverage upon the lapse of a policy, for the Common Areas, and first mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

Section 3. No Priority. No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

Section 4. Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any mortgage encumbering such Owner's Unit.

Section 5. Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provision of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 6. Applicability of Article XV. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or Florida law for any of the acts set out in this Article.

Section 7. Failure of Mortgagee to Respond. Any mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the mortgagee within thirty (30) days of the date of the Association's request.

ARTICLE XVI
DECLARANT'S RIGHTS

Any or all of the special rights and obligations of the Declarant may be transferred to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Official Records of Palm Beach County, Florida.

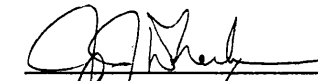
Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and initial sale of Units shall continue, it shall be expressly permissible for Declarant to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such Units, including, but not limited to, business offices, signs, model units, and sales offices, and the Declarant shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right to use residences owned by the Declarant and the clubhouse, which may be owned by the Association, as models and sales offices.

So long as Declarant continues to have rights under this paragraph, no person or entity shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

ORB 6007 Pg 1895

This Article may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this Article shall terminate upon the earlier of (a) fifteen (15) years from the date this Declaration is recorded, or (b) upon recording by Declarant of a written statement that all sales activity has ceased.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 23rd day of March, 1989.



Angelo Scardina

AN-SCA INVESTMENT CO., INC., a
Florida corporation

By: 
Angelo Scardina, President

[Corporate Seal]

STATE OF FLORIDA

COUNTY OF PALM BEACH

BEFORE me personally appeared Angelo Scardina as President of An-Sca Investment Co., Inc., a Florida corporation, and acknowledged to and before me that he executed such instrument as President of said corporation and that the seal affixed to the foregoing instrument is the corporate seal of the corporation and that it has been affixed to the foregoing instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and seal this 23 day of March, 1989.

[SEAL]



NOTARY PUBLIC
My Commission Expires: _____

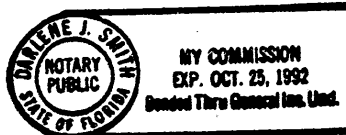


EXHIBIT "A"

Land Initially Submitted

Parcel 1:

Boca Azul Phase One, according to the plat thereof, recorded in Plat Book 41, Page 191, Public Records of Palm Beach County, Florida.

Parcel 2:

Boca Azul Phase Two, according to the plat thereof, recorded in Plat Book 60, Page 157, Public Records of Palm Beach County, Florida.

Parcel 3: --

Boca Azul Phase Three, according to the plat thereof, recorded in Plat Book 61, Page 108, Public Records of Palm Beach County, Florida.

Together with:

Parcel 4:

A parcel of land situate in Section 5, Township 47 South, Range 42 East, Palm Beach County, Florida, being a portion of PALM BEACH FARMS COMPANY PLAT NO. 3, as recorded in Plat Book 2, Pages 45 through 54, of the Public Records of Palm Beach County, Florida; being more particularly described as follows:

Commencing at the Northeast corner of BOCA AZUL PHASE TWO, as recorded in Plat Book 60, Page 157, of the Public Records of Palm Beach County, Florida; thence South 90 Degrees, 00 Minutes, 00 Seconds East, a distance of 720.00 feet along South line of LONG LAKE ESTATES, as recorded in Plat Book 33, Page 154, of the Public Records of Palm Beach County, Florida, to the point of beginning.

ORB 6007 Pg 1897

From the point of beginning, continuing along the said South line of LONG LAKE ESTATES, South 90 Degrees, 00 Minutes, 00 Seconds, a distance of 1711.23 feet; thence departing from said South line of LONG LAKE ESTATES, South 00 Degrees, 52 Minutes, 05 Seconds East, a distance of 660.08 feet; thence North 90 Degrees, 00 Minutes, 00 Seconds West, a distance of 1796.23 feet; thence North 00 Degrees, 00 Minutes, 00 Seconds East, a distance of 360.25 feet; thence South 80 Degrees, 00 Minutes, 00 Seconds East, a distance of 76.16 feet; thence North 00 Degrees, 00 Minutes, 00 Seconds East, a distance of 312.97 feet to the point of beginning.

EXHIBIT "B"

Common Area Initially Submitted

Tracts L-1, L-2, Buffer and Drainage Easement, and Utility Easement as shown on the Plat of Boca Azul Phase One, recorded in Plat Book 41, Page 191.

Tracts A, B, C, D, E, F, G, and H as shown on the Plat of Boca Azul Phase Two, recorded in Plat Book 60, Page 157, Public Records of Palm Beach County, Florida.

Tracts A, B, C, D, E, F and G and the access tracts as shown on the Plat of Boca Azul Phase Three, recorded in Plat Book 61, Page 108, Public Records of Palm Beach County, Florida.