

MASTER DECLARATION FOR SUNSET LAKES

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MASTER DECLARATION

FOR

SUNSET LAKES

THIS MASTER DECLARATION FOR SUNSET LAKES is made this ____ day of _____, 199____, by SUNSET LAKES ASSOCIATES, a Florida general partnership ("DECLARANT").

This MASTER DECLARATION includes the following exhibits:

Exhibit "A"	-	Legal Description of the SUBJECT PROPERTY
Exhibit "B"	-	Legal Description of property which may be added to the SUBJECT PROPERTY
Exhibit "C"	-	Articles of Incorporation of MASTER ASSOCIATION
Exhibit "D"	-	Bylaws of MASTER ASSOCIATION

PREAMBLE:

DECLARANT owns the property described herein, and intends to develop the property as a residential community. The purpose of this Declaration is to provide various use and maintenance requirements and restrictions in the best interests of the future owners of dwellings within the property, to protect and preserve the values of the property. This Declaration will also establish a MASTER ASSOCIATION, which will own, operate and/or maintain various portions of the property and improvements constructed within the property, will have the right to enforce the provisions of this Declaration, and will be given various other rights and responsibilities. The expenses of the MASTER ASSOCIATION will be shared by the owners of portions of the property.

NOW, THEREFORE, DECLARANT hereby declares that the SUBJECT PROPERTY, as hereinafter defined, shall be hold, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges set forth herein, all of which are created in the best interests of the owners and residents of the SUBJECT PROPERTY, and which shall run with the SUBJECT PROPERTY and shall be binding upon all persons having and/or acquiring any right, title or interest in the SUBJECT PROPERTY or any portion thereof, and shall inure to the benefit of each and every person, from time to time, owning or holding an interest in the SUBJECT PROPERTY, or any portion thereof.

1. DEFINITIONS. The words and phrases listed below, as used in this declaration, shall have the following meanings, unless the context otherwise requires:

1.1. APPROVING PARTY means DECLARANT, as long as it owns any portion of the SUBJECT PROPERTY, or until DECLARANT relinquishes its rights as the APPROVING PARTY by written notice to the MASTER ASSOCIATION. DECLARANT reserves the right to assign its rights as the APPROVING PARTY with respect to any PARCEL to the PARCEL DEVELOPER of the PARCEL or to the MASTER ASSOCIATION, in whole or in part. When DECLARANT or its assignee is no longer the APPROVING PARTY with respect to any PARCEL, the MASTER ASSOCIATION shall be the APPROVING PARTY with respect to such PARCEL. Notwithstanding the foregoing, DECLARANT, so long as it owns any portion of the SUBJECT

PROPERTY, and thereafter the PARCEL DEVELOPER of any PARCEL or its assignee, and not the MASTER ASSOCIATION, shall be the APPROVING PARTY with respect to the initial construction of any improvements within a PARCEL by the PARCEL DEVELOPER of the PARCEL or by any builder or developer. Notwithstanding anything contained herein to the contrary, the APPROVING PARTY may assign any right to exercise architectural control or approve any other matter which may be approved by the APPROVING PARTY to a committee or committees. Separate committees may be established for each PARCEL, and the committee for any PARCEL may be assigned the right to exercise architectural control or approve any other matter which may be approved by the APPROVING PARTY and which relate to the PARCEL. Such assignment to a PARCEL committee may provide that after the PARCEL committee has approved any matter, such matter must be further approved by the APPROVING PARTY or a committee of the MASTER ASSOCIATION.

1.2. ARTICLES mean the Articles of Incorporation of the MASTER ASSOCIATION, as amended from time to time, a copy of which is attached hereto as Exhibit "C".

1.3. ASSESSMENT means the amount of money which may be assessed against an OWNER for the payment of the OWNER's share of COMMON EXPENSES, and/or any other funds which an OWNER may be required to pay to the MASTER ASSOCIATION as provided by this DECLARATION, the ARTICLES or the BYLAWS.

1.4. BOARD means the Board of Directors of the MASTER ASSOCIATION.

1.5. BYLAWS mean the Bylaws of the MASTER ASSOCIATION, as amended from time to time, a copy of which is attached hereto as Exhibit "D".

1.6. COMMON AREAS means any property, whether improved or unimproved, or any easement or interest therein, now or hereafter owned by the MASTER ASSOCIATION, or which is dedicated to the MASTER ASSOCIATION on any recorded plat of any portion of the SUBJECT PROPERTY, or which is declared to be a COMMON AREA by this DECLARATION, or which is intended by DECLARANT to be a COMMON AREA. Except as elsewhere provided herein, COMMON AREAS shall include all of the roads, street lights, entry features, wetland preservation or mitigation areas, upland buffers, conservation easements, and lakes and other waterways, within the SUBJECT PROPERTY, provided that the foregoing shall not be deemed a representation or warranty that any or all of the foregoing types of COMMON AREAS will be provided. Notwithstanding anything contained herein to the contrary, COMMON AREAS do not include any lakes, waterways or other property which is now or hereafter dedicated or conveyed to the SBDD.

1.7. COMMON EXPENSES mean all expenses of any kind or nature whatsoever properly incurred by the MASTER ASSOCIATION, including, but not limited to, the following:

1.7.1. Expenses incurred in connection with the ownership, maintenance, repair, improvement or operation of the COMMON AREAS, or any other property to be maintained by the MASTER ASSOCIATION as provided in this DECLARATION, including, but not limited to, utilities, taxes, assessments, insurance, operation, maintenance, repairs, improvements, alterations and security.

1.7.2. Expenses of obtaining, repairing or replacing personal property owned by the MASTER ASSOCIATION.

1.7.3. Expenses incurred in connection with the administration and management of the MASTER ASSOCIATION.

1.7.4. Costs incurred in complying with any governmental approval, permit, or requirement relating to the SUBJECT PROPERTY.

1.7.5. The cost of operating and maintaining any gatehouses or electronic gates or entry devices within the SUBJECT PROPERTY.

1.7.6. The cost of providing cable television or security service for the SUBJECT PROPERTY and/or the UNITS, if the BOARD elects to provide same as a COMMON EXPENSE.

1.7.7. The cost of maintaining and replacing the entrance features to the SUBJECT PROPERTY and to all of the PARCELS.

1.7.8. Expenses declared to be COMMON EXPENSES by the provisions of this DECLARATION or by the ARTICLES or BYLAWS.

1.8. COMMON SURPLUS means the excess of all receipts of the MASTER ASSOCIATION over the amount of the COMMON EXPENSES.

1.9. DECLARANT means the entity executing this DECLARATION, or any PERSON who may be assigned the rights of DECLARANT pursuant to a written assignment executed by the then present DECLARANT and recorded in the public records of the county in which the SUBJECT PROPERTY is located. In addition, in the event any PERSON obtains title to all of the SUBJECT PROPERTY then owned by DECLARANT as a result of the foreclosure of any mortgage or deed in lieu thereof, such PERSON may elect to become the DECLARANT or to have any of DECLARANT's rights as provided by this DECLARATION, the ARTICLES, or the BYLAWS, by a written election recorded in the public records of the county in which the SUBJECT PROPERTY is located, and regardless of the exercise of such election, such PERSON may appoint as DECLARANT or assign any rights of DECLARANT to any third party who acquires title to all or any portion of the SUBJECT PROPERTY by written appointment recorded in the public records of the county in which the SUBJECT PROPERTY is located. In any event, any subsequent DECLARANT shall not be liable for any actions or defaults of, or obligations incurred by, any prior DECLARANT, except as same may be expressly assumed by the subsequent DECLARANT.

1.10. DECLARATION means this declaration, as it may be amended from time to time.

1.11. DEVELOPED LOT means a LOT for which all improvements servicing the LOT have been completed, including water and sewer lines and facilities, and road paving, so that upon the completion of a residential dwelling upon the LOT the controlling governmental will issue a certificate of occupancy.

1.12. IMPROVEMENT means any building, fence, wall, patio area, road, driveway, walkway, landscaping, antenna, sign, mailbox, pool, tennis court, recreational facility, berm, lake, pond, canal, or other structure or improvement which is constructed, made, installed, placed or developed within or upon, or removed from, any PROPERTY, or any change in, alteration of, addition to, or removal of all or any portion of any such structure or improvement other than normal maintenance and repair which does not materially alter or change the exterior appearance, condition and color of same, and any change in the ground elevation of any PROPERTY.

1.13. INSTITUTIONAL LENDER means the holder of a mortgage encumbering any PROPERTY, which holder in the ordinary course of business makes, purchases, guarantees, or insures mortgage loans, and which is not owned or controlled by the OWNER of the PROPERTY encumbered. An INSTITUTIONAL LENDER may include, but is not limited to, a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension or profit sharing plan, mortgage company, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, an agency of the United States or any other governmental authority, or any other similar type of lender generally recognized as an institutional-type lender. For definitional purposes only, an INSTITUTIONAL LENDER shall also mean the holder of any mortgage executed by or in favor of DECLARANT or any PARCEL DEVELOPER, whether or not such holder would otherwise be considered an INSTITUTIONAL LENDER.

1.14. LOT means any platted lot within the SUBJECT PROPERTY, or any other parcel of land located within the SUBJECT PROPERTY which has been or is intended to be conveyed to an OWNER and which contains or is intended to contain one UNIT, and shall include any UNIT constructed upon the LOT.

1.15. MASTER ASSOCIATION means the corporation formed pursuant to the Articles of Incorporation attached hereto as an exhibit.

1.16. OWNER means the record owner(s) of the fee title to any PROPERTY and/or UNIT. The term OWNER shall include a UNIT OWNER.

1.17. PARCEL means any group of LOTS or other portion of the SUBJECT PROPERTY which is designated as a PARCEL in Exhibit "A" of this DECLARATION, or in any amendment or supplement to this DECLARATION, executed or consented to by DECLARANT or the MASTER ASSOCIATION. Each PARCEL may be subject to a separate PARCEL DECLARATION, and may, but is not required to, be operated by or subject to the jurisdiction of a PARCEL ASSOCIATION. The LOTS or PROPERTY not originally included within a PARCEL may be added to the PARCEL by an amendment or supplement to this DECLARATION executed or consented to by DECLARANT or the MASTER ASSOCIATION.

1.18. PARCEL AREAS means any property, whether improved or unimproved, or any easement or interest therein, now or hereafter owned by the MASTER ASSOCIATION, other than the COMMON AREAS, which are owned and/or maintained by the MASTER ASSOCIATION, which (i) are located within a PARCEL and primarily benefit the OWNERS of the LOTS and/or UNITS within the PARCEL, or (ii) are restricted for the use and benefit of the OWNERS of only one or more, but less than all, of the PARCELS, in any PARCEL DECLARATION, or in any deed or easement for the PARCEL AREA to the MASTER ASSOCIATION, or pursuant to a recorded document executed by DECLARANT or any applicable PARCEL DEVELOPER, and (iii) are declared to be PARCEL AREAS pursuant to this DECLARATION or in any amendment or supplement, or in any deed or easement of the property comprising the PARCEL AREA to the MASTER ASSOCIATION, executed or consented to by DECLARANT or the MASTER ASSOCIATION.

1.19. PARCEL ASSESSMENT means an ASSESSMENT which is assessed against the OWNERS within one or more, but less than all of, the PARCELS.

1.20. PARCEL ASSOCIATION means a non-profit corporation, other than the MASTER ASSOCIATION, which is formed to administer a PARCEL DECLARATION, and whose members consist of the OWNERS within the PARCEL affected by the PARCEL DECLARATION. For purposes of this DECLARATION, the PARCEL affected by any PARCEL DECLARATION shall be deemed to be operated by, and subject to the jurisdiction of, the respective PARCEL ASSOCIATION.

1.21. PARCEL DECLARATION means a supplement to this DECLARATION or a separate and distinct declaration of covenants and restrictions that effects one or more PARCELS and which contains provisions specially relating to such PARCELS, which may include provisions regarding PARCEL AREAS, PARCEL ASSESSMENTS and use and maintenance covenants and restrictions applicable to such PARCELS. A PARCEL DECLARATION may, but is not required to, establish a separate and distinct PARCEL ASSOCIATION to administer the PARCEL DECLARATION, or in the alternative a PARCEL DECLARATION may assign various duties and obligations to the MASTER ASSOCIATION, provided the PARCEL DECLARATION is executed or consented to by DECLARANT or the MASTER ASSOCIATION.

1.22. PARCEL DEVELOPER means a PERSON that executes a PARCEL DECLARATION, or the PERSON named as the PARCEL DEVELOPER in any PARCEL DECLARATION, or a PERSON which owns or contracts to purchase an entire PARCEL or all of the undeveloped LOTS or property within a PARCEL, or any PERSON who succeeds to all of the interests of the PARCEL DEVELOPER with respect to the applicable PARCEL other than a single LOT, or any PERSON who is assigned the rights of the PARCEL DEVELOPER with respect to the PARCEL pursuant to a written assignment executed by the then present PARCEL DEVELOPER and recorded in the Public Records of the County in which the SUBJECT PROPERTY is LOCATED. In any event, any subsequent PARCEL DEVELOPER shall not be liable for any actions or defaults of, or obligations incurred by, any prior PARCEL DEVELOPER, except as same may be expressly assumed by the subsequent PARCEL DEVELOPER.

1.23. PARCEL EXPENSE means a COMMON EXPENSE which is incurred in connection with the ownership, maintenance, repair, improvement, or operation of any PARCEL AREA or which is incurred exclusively for the benefit of one or more PARCELS pursuant to a PARCEL DECLARATION, the cost of which is to be assessed solely against the OWNERS within the PARCEL(S) benefited by the expense.

1.24. PERSON means an individual, corporation, partnership, trust or any other legal entity.

1.25. PLANNED UNIT means a UNIT which is planned to be constructed within any PROPERTY, but which is not yet constructed and/or for which the controlling governmental authority has not yet issued a certificate of occupancy. The number of PLANNED UNITS within any PROPERTY is (i) the total number of UNITS which may be constructed within the PROPERTY determined pursuant to a site plan prepared or approved by DECLARANT or by any controlling governmental authority, or a recorded plat which subdivides the PROPERTY into LOTS (prior to the approval of any such site plan or the recording of any such plat, the number of UNITS shall be the number of UNITS that are anticipated to be constructed within the PROPERTY as determined or approved by DECLARANT), (ii) less the number of UNITS actually existing within the PROPERTY. Any PARCEL DEVELOPER may limit the number of PLANNED UNITS within the PARCEL DEVELOPER'S PROPERTY by executing an agreement setting forth the maximum number of UNITS which may be constructed within such PROPERTY, which shall be executed or joined in by the MASTER ASSOCIATION and any mortgagee holding a mortgage encumbering the PROPERTY and shall be recorded in the public records of the county in which the PROPERTY is located, and in that event no more UNITS may be constructed within the PROPERTY without the written consent of the MASTER ASSOCIATION.

1.26. PROPERTY means all or any portion of the SUBJECT PROPERTY. The term PROPERTY shall include all UNITS and improvements located upon or within the PROPERTY.

1.27. SDD means the South Broward Drainage District, and any successor thereof.

1.28. SUBJECT PROPERTY means all of the property which is subject to this DECLARATION from time to time, which as of the execution and recording of this DECLARATION is the property described in Exhibit "A" attached hereto, and includes any property that is hereafter added to this DECLARATION, and excludes any property that is hereafter withdrawn from this DECLARATION, by an amendment.

1.29. UNIT means a residential dwelling contained within the SUBJECT PROPERTY, for which the controlling governmental authority has issued a certificate of occupancy. Where any building contains more than one dwelling, each such dwelling shall be a UNIT. A UNIT may include, but is not limited to, a house, apartment, townhouse, patio home, cluster home, or residential condominium unit. The term UNIT shall include any PROPERTY or interest in PROPERTY owned in conjunction with the UNIT.

1.30. UNIT OWNER means the record holder(s) of the fee title to a UNIT.

2. COMMON AREAS, DUTIES AND OBLIGATIONS OF THE MASTER ASSOCIATION.

2.1. Conveyance of COMMON AREAS to MASTER ASSOCIATION.

2.1.1. By DECLARANT or a PARCEL DEVELOPER. DECLARANT shall have the right to convey title to any property owned by it, or any easement or interest therein, to the MASTER ASSOCIATION as a COMMON AREA, and the MASTER ASSOCIATION shall be required to accept such conveyance. DECLARANT or the PARCEL DEVELOPER of any PARCEL shall have the right to convey title to any property owned by them, or any easement or interest therein, to the MASTER ASSOCIATION as a PARCEL AREA of such PARCEL, and the MASTER ASSOCIATION shall be required to accept such conveyance. Any such conveyance shall be effective upon recording the deed or instrument of conveyance in the public records of the county where the SUBJECT PROPERTY is located. Notwithstanding the foregoing, neither DECLARANT nor any PARCEL DEVELOPER shall have the obligation to develop and/or convey any property to the MASTER ASSOCIATION as a COMMON AREA, and if DECLARANT or any PARCEL DEVELOPER desires to convey any property to the MASTER ASSOCIATION, the timing of the conveyance shall be in the sole discretion of DECLARANT or the PARCEL DEVELOPER.

2.1.2. By Any Other PERSON. Any other PERSON may also convey title to any property owned by such PERSON, or any easement or interest therein, to the MASTER ASSOCIATION as a COMMON AREA, but the MASTER ASSOCIATION shall not be required to accept any such conveyance, and no such conveyance shall be effective to impose any

obligation for the maintenance, operation or improvement of any such property upon the MASTER ASSOCIATION, unless the BOARD expressly accepts the conveyance by executing the deed or other instrument of conveyance or by recording a written acceptance of such conveyance in the public records of the county in which the SUBJECT PROPERTY is located.

2.2. Easements. The COMMON AREAS are subject to the following easements, which are hereby created:

2.2.1. Easements for Pedestrian and Vehicular Traffic. Easements for pedestrian traffic over, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist upon the COMMON AREAS and be intended for such purpose; and for pedestrian and vehicular traffic and parking over, through, across and upon such portion of the COMMON AREAS as may from time to time be paved and intended for such purposes, same being for the use and benefit of the OWNERS and the residents of the SUBJECT PROPERTY, their mortgagees, and their guests and invitees.

2.2.2. Use and Benefit. All COMMON AREAS shall be held by the MASTER ASSOCIATION subject to an easement for the use and benefit of the OWNERS, and their respective guests and invitees, the holders of any mortgage encumbering any PROPERTY from time to time, and any other persons authorized to use the COMMON AREAS or any portion thereof by DECLARANT or the MASTER ASSOCIATION, for all proper and reasonable purposes and uses for which the same are reasonably intended, subject to the terms of this DECLARATION, subject to the terms of any easement, restriction, reservation or limitation of record affecting the COMMON AREA or contained in the deed or instrument conveying the COMMON AREA to the MASTER ASSOCIATION, and subject to any rules and regulations adopted by the MASTER ASSOCIATION. An easement and right for such use is hereby created in favor of all OWNERS, appurtenant to the title to their PROPERTY.

2.2.3. Service and Utility Easements. Easements in favor of governmental and quasi-governmental authorities, utility companies, cable television companies, ambulance or emergency vehicle companies, and mail carrier companies, over and across all roads existing from time to time within the SUBJECT PROPERTY, and over, under, on and across the COMMON AREAS, as may be reasonably required to permit the foregoing, and their agents and employees, to provide their respective authorized services to and for the SUBJECT PROPERTY. Also, easements as may be required for the installation, maintenance, repair and providing of utility services, equipment and fixtures in order to adequately serve the SUBJECT PROPERTY, including, but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage, and television antenna and cable television facilities.

2.2.4. Additional Easements. DECLARANT (so long as it owns any PROPERTY) and the MASTER ASSOCIATION, on their behalf and on behalf of all OWNERS, each shall have the right to grant and declare additional easements over, upon, under and/or across the COMMON AREAS in favor of DECLARANT or any person, entity, public or quasi-public authority or utility company, or (iii) modify, relocate, abandon or terminate existing easements affecting the COMMON AREAS.

2.3. Additions, Alterations or Improvements to COMMON AREAS. The MASTER ASSOCIATION shall have the right to make additions, alterations or improvements to the COMMON AREAS, and to purchase any personal property as it deems necessary or desirable from time to time, provided however that the approval of a 2/3 vote of the OWNERS shall be required for any addition, alteration or improvement, or any purchase of personal property, exceeding a sum equal to one month's total ASSESSMENTS for COMMON EXPENSES payable by all of the OWNERS, or if the cost of the foregoing shall in any fiscal year exceed in the aggregate a sum equal to 2 months' ASSESSMENTS for COMMON EXPENSES payable by all of the OWNERS. The foregoing approval shall in no event be required with respect to expenses incurred in connection with the maintenance, repair or replacement of existing COMMON AREAS, or any existing improvements or personal property associated therewith. The cost and expense of any such additions, alterations or improvements to the COMMON AREAS, or the purchase of any personal property, shall be a COMMON EXPENSE. In addition, so long as DECLARANT owns any portion of the SUBJECT PROPERTY or any portion of the property described in Exhibit "B" which DECLARANT may add to the SUBJECT PROPERTY, DECLARANT shall have the right to make any additions, alterations or improvements to the COMMON AREAS as may be desired by DECLARANT in its sole discretion from time to time, at DECLARANT's expense.

2.4. Utilities. The MASTER ASSOCIATION shall pay for all utility services for the COMMON AREAS, or for any other property to be maintained by the MASTER ASSOCIATION, as a COMMON EXPENSE.

2.5. Taxes. The MASTER ASSOCIATION shall pay all real and personal property taxes and assessments for any property owned by the MASTER ASSOCIATION as a COMMON EXPENSE.

2.6. Insurance. The MASTER ASSOCIATION shall purchase insurance as a COMMON EXPENSE, as follows:

2.6.1. Hazard Insurance protecting against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement, and all other perils customarily covered for similar types of projects, including those covered by the standard all-risk endorsement, covering 100% of the current replacement cost of all COMMON AREAS and property owned by the MASTER ASSOCIATION, excluding land foundations, excavations and other items normally excluded from insurance coverage, or such reduced coverage as is approved by the BOARD. The MASTER ASSOCIATION shall not use hazard insurance proceeds for any purpose other than repair, replacement or reconstruction of any damaged or destroyed property, until such repair, replacement or reconstruction is completed, without the approval of a 2/3 vote of the OWNERS.

2.6.2. Comprehensive General Liability Insurance protecting the MASTER ASSOCIATION from claims for bodily injury, death or property damage providing for coverage of at least \$1,000,000 for any single occurrence. Notwithstanding the foregoing, if the BOARD determines that it is impossible or unduly expensive to obtain \$1,000,000 of general liability insurance, then the BOARD may upon a unanimous vote of the directors obtain a lower amount of general liability insurance.

2.6.3. Blanket Fidelity Bonds for anyone who handles or is responsible for funds held or administered by the MASTER ASSOCIATION, covering the maximum funds that will be in the custody or control of the MASTER ASSOCIATION or any managing agent, which coverage shall be at least the sum of three (3) months assessments on all units plus reserve funds.

2.6.4. Such other insurance as may be desired by the MASTER ASSOCIATION, such as flood insurance, errors and omissions insurance, workman's compensation insurance, or any other insurance.

2.6.5. All insurance purchased by the MASTER ASSOCIATION must include a provision requiring at least ten (10) days written notice to the MASTER ASSOCIATION before the insurance can be canceled or the coverage reduced for any reason.

2.6.6. Any deductible or exclusion under the policies shall be a COMMON EXPENSE and shall not exceed \$2,500 or such other sum as is approved by a majority of the BOARD.

2.6.7. Upon request, each INSTITUTIONAL LENDER shall have the right to receive a copy or certificate of the insurance purchased by the MASTER ASSOCIATION, and shall have the right to require at least ten (10) days written notice to the INSTITUTIONAL LENDER before any insurance can be canceled or the coverage reduced for any reason. Each INSTITUTIONAL LENDER shall have the right upon notice to the MASTER ASSOCIATION to review and approve, which approval shall not be unreasonably withheld, the form, content, issuer, coverage and deductibles of all insurance purchased by the MASTER ASSOCIATION, and to require the MASTER ASSOCIATION to purchase insurance complying with the reasonable and customary requirements of the INSTITUTIONAL LENDER. In the event of a conflict between the INSTITUTIONAL LENDERS, the requirements of the INSTITUTIONAL LENDER holding mortgages encumbering UNITS which secure the largest aggregate indebtedness shall control.

2.7. Default. Any OWNER or INSTITUTIONAL LENDER may pay for any utilities, taxes or assessments, or insurance premiums which are not paid by the MASTER ASSOCIATION when due, or may secure new insurance upon the lapse of an insurance policy, and shall be

owed immediate reimbursement therefor from the MASTER ASSOCIATION, plus interest and any costs of collection, including attorneys' fees.

2.8. Damage or Destruction. In the event any improvement (other than landscaping) within any COMMON AREA is damaged or destroyed due to fire, flood, wind, or other casualty or reason, the MASTER ASSOCIATION shall restore, repair, replace or rebuild (hereinafter collectively referred to as a "repair") the damaged improvement to the condition the improvement was in immediately prior to such damage or destruction, unless otherwise approved by a 2/3 vote of the BOARD. If any landscaping within any COMMON AREA or any other property maintained by the MASTER ASSOCIATION is damaged or destroyed, the MASTER ASSOCIATION shall only be obligated to make such repairs to the landscaping as is determined by the BOARD in its discretion. Any excess cost of repairing any improvement over insurance proceeds payable on account of any damage or destruction shall be a COMMON EXPENSE, and the MASTER ASSOCIATION shall have the right to make a special ASSESSMENT for any such expense.

2.9. Mortgage and Sale of COMMON AREAS. The MASTER ASSOCIATION shall not encumber, sell or transfer any COMMON AREA owned by the MASTER ASSOCIATION without the approval of a 2/3 vote of the OWNERS, excluding DECLARANT, provided, however, that the MASTER ASSOCIATION may dedicate the fee title to any COMMON AREA, or any easement therein, to any governmental authority without the approval of the OWNERS. Notwithstanding the foregoing, if DECLARANT or any PARCEL DEVELOPER changes the development plan for a portion of the SUBJECT PROPERTY such that any portion of the COMMON AREAS previously conveyed to the MASTER ASSOCIATION would be within any PROPERTY which is not intended to be a COMMON AREA, then the MASTER ASSOCIATION shall have the right without the approval of the OWNERS to convey such portion of the COMMON AREAS to DECLARANT or any applicable PARCEL DEVELOPER; and in connection therewith, DECLARANT or the applicable PARCEL DEVELOPER shall convey to the MASTER ASSOCIATION any property which will be a COMMON AREA pursuant to the new development plan. If ingress or egress to any PROPERTY is through any COMMON AREA, any conveyance or encumbrance of such COMMON AREA shall be subject to an appurtenant easement for ingress and egress in favor of the OWNER(S) of such PROPERTY, unless alternative ingress and egress is provided to the OWNER(S).

2.10. Maintenance of COMMON AREAS and other Property. The MASTER ASSOCIATION shall maintain all COMMON AREAS and property owned by the MASTER ASSOCIATION, and all improvements thereon, in good condition at all times. If pursuant to any easement the MASTER ASSOCIATION is to maintain any improvement within any property, then the MASTER ASSOCIATION shall maintain such improvement in good condition at all times. The MASTER ASSOCIATION shall have the right to assume the obligation to operate and/or maintain any walls or fences on or near the boundaries of the SUBJECT PROPERTY, and any pavement, landscaping, sprinkler systems, sidewalks, paths, signs, entrance features, or other improvements, in or within 40 feet of any public or private road right-of-ways within or contiguous to the SUBJECT PROPERTY. In such event, where applicable the MASTER ASSOCIATION shall so notify any OWNER or PARCEL ASSOCIATION otherwise responsible for such operation or maintenance, and thereafter such property shall be operated and/or maintained by the MASTER ASSOCIATION and not by the OWNER or PARCEL ASSOCIATION, until the BOARD determines no longer to assume the obligation to operate and/or maintain such property and so notifies the appropriate OWNER or PARCEL ASSOCIATION in writing. To the extent the MASTER ASSOCIATION assumes the obligation to operate and/or maintain any PROPERTY which is not owned by the MASTER ASSOCIATION, the MASTER ASSOCIATION shall have an easement and right to enter upon such PROPERTY in connection with the operation or maintenance of same, and no such entry shall be deemed a trespass. Such assumption by the MASTER ASSOCIATION of the obligation to operate and/or maintain any property which is not owned by the MASTER ASSOCIATION may be evidenced by a supplement to this DECLARATION, or by a written document recorded in the public records of the county in which the SUBJECT PROPERTY is located, and may be made in connection with an agreement with any OWNER, PARCEL ASSOCIATION, DECLARANT, or any governmental authority otherwise responsible for such operation or maintenance, and pursuant to any such document the operation and/or maintenance of any property may be made a permanent obligation of the MASTER ASSOCIATION. The MASTER ASSOCIATION may also enter into agreements with any other PERSON, or any governmental authority, to share in the maintenance responsibility of any

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property if the BOARD, in its sole and absolute discretion, determines this would be in the best interest of the OWNER. Notwithstanding the foregoing, if any UNIT OWNER or any resident of any UNIT, or their guests or invitees, damages any COMMON AREA or any improvement thereon, the UNIT OWNER of such UNIT shall be liable to the MASTER ASSOCIATION for the cost of repair or restoration to the extent otherwise provided by law and to the extent such damage is not covered by the MASTER ASSOCIATION's insurance.

2.11. Surface Water Management System. It is acknowledged the surface water management and drainage system for the SUBJECT PROPERTY is one integrated system, and an easement is hereby created over the entire SUBJECT PROPERTY for surface water drainage and for the installation and maintenance of the surface water management and drainage system for the SUBJECT PROPERTY, provided however that such easement shall be subject to improvements constructed within the SUBJECT PROPERTY as permitted by controlling governmental authorities from time to time. The surface water management and drainage system of the SUBJECT PROPERTY shall be developed, operated, and maintained in conformance with the requirements of, and any permits or approvals issued by, the SBDD, the South Florida Water Management District, and any other controlling governmental authority. It is acknowledged the lakes and portions of the drainage system within the SUBJECT PROPERTY may be owned and/or maintained by the SBDD. The MASTER ASSOCIATION shall maintain as a COMMON EXPENSE the entire surface water management and drainage system for the SUBJECT PROPERTY, except for portions thereof which are in fact maintained by the SBDD, including but not limited to all lakes, canals, swale areas, retention areas, culverts, pipes, pumps, catch basins, and related appurtenances, and any littoral zones in any lakes or other waterway, regardless of whether or not same are natural or man-made within the SUBJECT PROPERTY or are owned by the MASTER ASSOCIATION. Such maintenance shall be performed in conformance with the requirements of any controlling governmental authority, and an easement for such maintenance is hereby created. The MASTER ASSOCIATION will have the right, but not the obligation, to maintain any portion of the surface water management and drainage system for the SUBJECT PROPERTY which is owned and/or maintained by any controlling governmental authority, or which is outside of the SUBJECT PROPERTY. The SUBJECT PROPERTY shall be required to accept surface water drainage from any other property pursuant to the requirements of any controlling governmental authority, and in connection therewith will have the right, but not the obligation, to maintain any portion of the surface water management system for such other property reasonably required in connection with the maintenance or operation of the surface water management system for the SUBJECT PROPERTY.

2.12. Mitigation Areas. The MASTER ASSOCIATION shall be required to monitor and maintain various mitigation areas located outside of the SUBJECT PROPERTY, as required by any applicable permits for the SUBJECT PROPERTY issued by any controlling governmental authorities, and DECLARANT shall have the right to convey same to the MASTER ASSOCIATION as a COMMON AREA.

2.13. Perimeter Wall, Fence or Berm. DECLARANT and the MASTER ASSOCIATION shall have an easement around the entire outer boundary of the SUBJECT PROPERTY, and along any portion of the SUBJECT PROPERTY that is contiguous to a public or COMMON AREA road right-of-way, which shall extend 20 feet into the SUBJECT PROPERTY from the boundary of road right-of-way, for the installation and maintenance of a wall, fence or berm. If any wall, fence or berm is constructed within such easement, the MASTER ASSOCIATION shall maintain the wall, fence, or berm, and the landscaping located between the wall, fence or berm and the perimeter of the SUBJECT PROPERTY, and an easement for such maintenance is hereby established. However, where any wall or fence is located upon a LOT, the OWNER shall maintain the side of the wall or fence facing the OWNER's LOT, but shall not paint the wall or fence or alter the condition or appearance thereof without the consent of the APPROVING PARTY.

2.14. Gatehouses or Entry Gates. It is acknowledged that one or more gatehouses and/or entry gates may, but will not be required to be, constructed within the SUBJECT PROPERTY, which if provided may be staffed, or which may contain a staffed entry system. If provided, all costs associated with any gatehouse or entry gate will be a COMMON EXPENSE, except that any costs associated with any entry gate serving only one PARCEL will be a PARCEL EXPENSE. So long as DECLARANT appoints a majority of the Directors of the MASTER ASSOCIATION, if any gatehouse is to be staffed, DECLARANT shall have the right

to determine, in its sole discretion, whether, and during what hours the gatehouse will be staffed. In any event, DECLARANT or the MASTER ASSOCIATION shall not have any liability for any injury, damage, or loss, of any kind or nature whatsoever due to the fact that any gatehouse is not staffed, or due to the failure of any person staffing the gatehouse or any mechanical or electrical entry system to prevent or detect a theft, burglary, or any unauthorized entry into the SUBJECT PROPERTY.

2.15. Streets, Roads, and Sidewalks. The MASTER ASSOCIATION shall be responsible for maintaining and repairing all streets, roads and common sidewalks (but not any driveway, sidewalk or walkway exclusively serving only one LOT) within the SUBJECT PROPERTY, and all costs of maintaining, repairing and operating any street lighting associated therewith, as a COMMON EXPENSE. Notwithstanding the foregoing, where any PARCEL consists of any UNITS which are condominium units, or consists of UNITS which are attached to one or more other UNITS by a common wall, including townhomes, all paved areas within such PARCEL shall be deemed driveways and not roads, and shall be maintained by the MASTER ASSOCIATION as PARCEL AREAS, or by a separate PARCEL ASSOCIATION.

CITY OF MIRAMAR'S RESERVATION OF RIGHTS. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY IN THIS DECLARATION, THE CITY OF MIRAMAR SHALL NOT BE REQUIRED TO ACCEPT THE DEDICATION OR CONVEYANCE OF ALL OR ANY PORTION OF THE COMMON AREAS OR ANY PARCEL AREA, INCLUDING BUT NOT LIMITED TO ROADS, DRIVEWAYS, SIDEWALKS, AND PARKING AREAS. HOWEVER, THE CITY MAY ACCEPT ANY SUCH DEDICATION OR CONVEYANCE, IN ITS SOLE DISCRETION, BUT NO DEDICATION OR CONVEYANCE OF ANY PROPERTY CONTAINING ANY ROAD, DRIVEWAY, SIDEWALK, OR PARKING AREA TO THE CITY SHALL BE EFFECTIVE UNLESS SAME IS ACCEPTED BY THE CITY. FURTHERMORE, THE CITY OF MIRAMAR SHALL HAVE NO DUTY OR OBLIGATION TO MAINTAIN ANY ROADS, DRIVEWAYS, SIDEWALKS, OR PARKING AREAS THAT ARE NOT OWNED BY THE CITY.

2.16. Special Provisions Regarding Recreational Facilities. It is acknowledged DECLARANT plans to construct various recreational facilities within the property described in Exhibit "B" attached hereto, the timing, kind, value and nature of which shall be determined in DECLARANT's sole discretion, and DECLARANT reserves the right to increase or add to the recreational facilities, or to expand the recreational facilities, without the consent of the OWNERS or the MASTER ASSOCIATION. If any portion of the property described in Exhibit "B" attached hereto is not added to the SUBJECT PROPERTY for any reason, then DECLARANT or the MASTER ASSOCIATION shall have the right to grant the owners and residents of such property the right to use any recreational facilities owned by the MASTER ASSOCIATION, subject to the requirement that such owners or any association responsible for the operation of such property pay to MASTER ASSOCIATION a share of all of the costs associated with the recreational facilities. Notwithstanding anything contained herein to the contrary, DECLARANT and/or the MASTER ASSOCIATION shall have the following rights with respect to such recreational facilities:

2.16.1. DECLARANT shall have the right to use any facility, or any portion thereof, for office or sales purposes, as may be desired by DECLARANT in its sole discretion, so long as DECLARANT owns any portion of the SUBJECT PROPERTY or any portion of the property described in Exhibit "B" which DECLARANT may add to the SUBJECT PROPERTY.

2.16.2. DECLARANT or the MASTER ASSOCIATION shall have the right to sell memberships to persons residing outside of the SUBJECT PROPERTY on such terms and conditions as DECLARANT or the MASTER ASSOCIATION may determine in their sole discretion. DECLARANT or the MASTER ASSOCIATION shall further have the right to grant concessions or contract with others to provide programs or services within such facilities to the OWNERS and residents of the SUBJECT PROPERTY, and in connection therewith may permit persons residing outside of the SUBJECT PROPERTY to attend or use such programs or services. The rights of DECLARANT pursuant to this paragraph shall terminate when DECLARANT no longer owns any portion of the SUBJECT PROPERTY or any portion of the property described in Exhibit "B" which DECLARANT may add to the SUBJECT PROPERTY.

2.17. PARCEL AREAS and PARCEL EXPENSES. The following provisions shall apply with respect to any PARCEL AREA, notwithstanding other provisions in this DECLARATION to the contrary:

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2.17.1. PARCEL AREAS. Notwithstanding anything contained herein to the contrary, all entry gates, lot lots, parks, and open areas, within or exclusively serving any PARCEL shall be deemed PARCEL AREAS.

2.17.2. Use. Any PARCEL AREA shall be held by the MASTER ASSOCIATION solely for the use and benefit of the owners and residents of the PARCELS who are intended to be benefited by the PARCEL AREAS, and the respective guests and invitees, and shall be maintained by the MASTER ASSOCIATION.

2.17.3. PARCEL EXPENSES. Any expenses associated with any PARCEL AREAS are PARCEL EXPENSES, and shall only be assessed to the OWNERS of the applicable PARCELS which are entitled to use or which are benefited by the PARCEL AREAS.

2.17.4. Common Irrigation System. It is acknowledged that irrigation for all of the LOTS within any PARCEL may be provided by one or more common irrigation systems. If any such common irrigation system is to be maintained by the MASTER ASSOCIATION, same shall be a PARCEL EXPENSE. The MASTER ASSOCIATION shall also pay for any utility services used in connection with any common irrigation system serving any PARCEL as a PARCEL EXPENSE. Notwithstanding the foregoing, each OWNER shall be responsible for the repair and replacement of the sprinkler heads on the OWNER's LOT, and each OWNER shall be responsible for any damage to any common sprinkler system caused by the OWNER or any resident of the OWNER's UNIT. No OWNER shall make any IMPROVEMENT to the OWNER's LOT which would affect any common sprinkler system serving the LOT without the written consent of the APPROVING PARTY, and each OWNER shall be responsible for any alterations, repairs, or replacements to a common irrigation system necessitated by the acts of the OWNER or any resident of the OWNER's LOT, or their contractors, guests or invitees.

2.17.5. Approval of Action Concerning PARCEL AREAS. Where pursuant to this DECLARATION the OWNERS are given the right to approve any action concerning any COMMON AREAS, any such approval rights with respect to any PARCEL AREA shall only be approved by the required vote of the OWNERS of the applicable PARCELS served by the PARCEL AREA, and such action shall not be voted upon by any other OWNERS.

2.17.6. Approval of PARCEL EXPENSES by PARCEL OWNERS. Notwithstanding anything contained herein to the contrary, if the OWNERS or committee thereof within any PARCEL desire the MASTER ASSOCIATION to maintain or improve any road or other COMMON AREA with the PARCEL before such maintenance is scheduled to be performed by the MASTER ASSOCIATION, or to improve any COMMON AREA within or serving the PARCEL, and if the MASTER ASSOCIATION does not agree to perform same as a COMMON EXPENSE, upon the approval of a majority of the OWNERS within the PARCEL appearing at a special meeting called for such purpose, the MASTER ASSOCIATION shall perform such maintenance or improvement as a PARCEL EXPENSE.

3. MASTER ASSOCIATION. In order to provide for the administration of the SUBJECT PROPERTY and this DECLARATION, the MASTER ASSOCIATION has been organized under the Laws of the State of Florida.

3.1. Articles of Incorporation. A copy of the ARTICLES is attached hereto as Exhibit "C". No amendment to the ARTICLES shall be deemed an amendment to this DECLARATION, and this DECLARATION shall not prohibit or restrict amendments to the ARTICLES, except as specifically provided herein.

3.2. BYLAWS. A copy of the BYLAWS is attached hereto as Exhibit "D". No amendment to the BYLAWS shall be deemed an amendment to this DECLARATION, and this DECLARATION shall not prohibit or restrict amendments to the BYLAWS, except as specifically provided herein.

3.3. Powers of the MASTER ASSOCIATION. The MASTER ASSOCIATION shall have all the powers indicated or incidental to those contained in its ARTICLES and BYLAWS. In addition, the MASTER ASSOCIATION shall have the power to enforce this DECLARATION and shall have all powers granted to it by this DECLARATION. By this DECLARATION, the SUBJECT PROPERTY is hereby submitted to the jurisdiction of the MASTER ASSOCIATION.

3.4. Approval or Disapproval of Matters. Whenever the decision, consent or approval of the OWNERS is required upon any matter, whether or not the subject of a MASTER ASSOCIATION meeting, such decision shall be made in accordance with the ARTICLES and

BYLAWS, except as otherwise provided herein. Where any matter requires a vote of a specified share of the OWNERS, but does not specifically refer to "all of" the OWNERS, the matter requires only the approval of the specified share of the OWNERS actually voting on the matter, regardless of how many votes are actually cast. Where any matter requires a vote of a specified share of "all the" OWNERS, the matter requires a number of votes equal to at least the specified share of the total number of votes of all the OWNERS.

3.5. Acts of the MASTER ASSOCIATION. Unless the approval or action of the OWNERS and/or a certain specific percentage of the BOARD is specifically required by this DECLARATION, the ARTICLES or BYLAWS, or by applicable law, all approvals or actions required or permitted to be given or taken by the MASTER ASSOCIATION shall be given or taken by the BOARD, without the consent of the OWNERS, and the BOARD may so approve an act through the proper officers of the MASTER ASSOCIATION without a specific resolution. When an approval or action of the MASTER ASSOCIATION is permitted to be given or taken, such action or approval may be conditioned in any manner the MASTER ASSOCIATION deems appropriate, or the MASTER ASSOCIATION may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal, except as herein specifically provided to the contrary.

3.6. Management and Service Contracts. The MASTER ASSOCIATION shall have the right to contract for professional management or services on such terms and conditions as the BOARD deems desirable in its sole discretion, provided, however, that any such contract shall not exceed three (3) years and shall be terminable by either party without cause and without payment of a termination or penalty fee on ninety (90) days or less written notice.

3.7. Membership.

3.7.1. OWNERS. Each OWNER shall be a member of the MASTER ASSOCIATION. Notwithstanding the foregoing, no governmental authority or utility company shall be deemed a member unless one or more UNITS actually exist upon the PROPERTY owned by such governmental authority or utility company, in which event the governmental authority or utility company will be a member only with respect to the PROPERTY owned in conjunction with such UNIT(S).

3.7.2. DECLARANT and PARCEL DEVELOPERS. DECLARANT and each PARCEL DEVELOPER shall be a member of the MASTER ASSOCIATION so long as DECLARANT or the applicable PARCEL DEVELOPER owns any PROPERTY.

3.8. Voting Rights. The votes of the members shall be established and exercised as provided in the ARTICLES and BYLAWS.

4. ASSESSMENTS FOR COMMON EXPENSES.

4.1. Responsibility. Each OWNER shall be responsible for the payment of ASSESSMENTS for COMMON EXPENSES and for the payment of PARCEL ASSESSMENTS to the MASTER ASSOCIATION, as hereinafter provided.

4.2. ASSESSMENT UNIT. For the purpose of establishing and determining ASSESSMENTS for COMMON EXPENSES payable by the OWNERS, ASSESSMENT UNITS are hereby established as follows:

4.2.1. Each UNIT or PLANNED UNIT within a PARCEL which consists of attached UNITS (UNITS which are attached or planned to be attached to one or more other UNITS by a common party wall) will be assigned 0.75 ASSESSMENT UNITS.

4.2.2. Each UNIT or PLANNED UNIT within a PARCEL which consists of LOTS having an average minimum width of 80 feet or less will be assigned 1.0 ASSESSMENT UNITS.

4.2.3. Each UNIT or PLANNED UNIT within a PARCEL which consists of LOTS having an average minimum width of more than 80 feet will be assigned 1.2 ASSESSMENT UNITS.

4.3. Determination of ASSESSMENTS for COMMON EXPENSES. Not less than 60 days prior to the beginning of each fiscal year, the BOARD shall adopt a budget for such fiscal year, which shall estimate all of the COMMON EXPENSES to be incurred during the fiscal year.

In determining the budgets for any fiscal year, the BOARD may take into account COMMON AREAS and UNITS anticipated to be added during the fiscal year. The BOARD shall then establish the per-UNIT ASSESSMENTS pursuant to the budgets. The per-UNIT ASSESSMENTS will be equal to the total amount to be assessed for COMMON EXPENSES pursuant to the COMMON EXPENSE budget, divided by the total number of the ASSESSMENT UNITS within the SUBJECT PROPERTY.

4.4. Notice of ASSESSMENTS. The MASTER ASSOCIATION shall then promptly notify all OWNERS, in writing, of the amount, frequency, and due dates of the ASSESSMENTS for COMMON EXPENSES. Each OWNER's ASSESSMENT for COMMON EXPENSES will be determined by multiplying the per-UNIT ASSESSMENT for COMMON EXPENSES by the number of ASSESSMENT UNITS assigned to the PROPERTY of the OWNER, as set forth above. From time to time during the fiscal year, the BOARD may modify the budget of the MASTER ASSOCIATION for the fiscal year, and pursuant to the revised budget or otherwise the BOARD may, upon written notice to the OWNERS, change the amount, frequency and/or due dates of the ASSESSMENTS for COMMON EXPENSES.

4.5. SPECIAL ASSESSMENTS. If the expenditure of funds is required by the MASTER ASSOCIATION in addition to funds produced by the regular ASSESSMENTS for COMMON EXPENSES, the BOARD may make special ASSESSMENTS for COMMON EXPENSES, which may include ASSESSMENTS to provide funds to pay for an existing or proposed deficit of the MASTER ASSOCIATION, or for any additions, alterations, or improvements to any COMMON AREA, or for any other purpose. Where any such funds are only required for any PARCEL EXPENSES, the special ASSESSMENTS shall only be made against the applicable PARCEL(S) as special PARCEL ASSESSMENTS. Special ASSESSMENTS for COMMON EXPENSES shall be levied in the same manner as hereinbefore provided for regular ASSESSMENTS for COMMON EXPENSES and shall be payable in one lump sum or as otherwise determined by the BOARD in its sole discretion and as stated in the notice of any special ASSESSMENT for COMMON EXPENSES.

4.6. Changes in ASSESSMENTS. In the event any ASSESSMENTS for COMMON EXPENSES are made payable in equal periodic payments, as provided in the notice from the MASTER ASSOCIATION, such periodic payments shall automatically continue to be due and payable in the same amount and frequency as indicated in the notice, unless and/or until: (i) the notice specifically provides that the periodic payments will terminate upon the occurrence of a specified event or the payment of a specified amount, or (ii) the MASTER ASSOCIATION notifies the OWNER in writing of a change in the amount and/or frequency of the periodic payments. In no event shall any ASSESSMENT for COMMON EXPENSES payable by any OWNER be due less than ten (10) days from the date of the notification of such ASSESSMENT for COMMON EXPENSES.

4.7. Payment of ASSESSMENTS for COMMON EXPENSES. Except as hereafter provided, on or before the date each ASSESSMENT for COMMON EXPENSES is due, each OWNER shall be required to and shall pay to the MASTER ASSOCIATION any ASSESSMENTS for COMMON EXPENSES for the UNITS and PLANNED UNITS within the PROPERTY then owned by such OWNER.

4.8. Special Provisions for PARCEL ASSESSMENTS. If the MASTER ASSOCIATION incurs any PARCEL EXPENSES for any PARCEL, the MASTER ASSOCIATION shall adopt a budget for such PARCEL, shall establish a per-UNIT PARCEL ASSESSMENT pursuant to the budget, and shall collect PARCEL ASSESSMENTS from the OWNERS within the PARCEL. All of the provisions of this DECLARATION relating to the establishment of the budget for COMMON EXPENSES and the establishment and collection of ASSESSMENTS for COMMON EXPENSES shall apply to the budget and PARCEL ASSESSMENTS for the PARCEL, except that for purposes of PARCEL ASSESSMENTS, unless otherwise provided with respect to any PARCEL in any amendment or supplement to this DECLARATION executed or consented to by DECLARANT or the MASTER ASSOCIATION, each UNIT and each PLANNED UNIT within the PARCEL will be one ASSESSMENT UNIT.

4.9. DECLARANT'S and PARCEL DEVELOPER'S LIABILITY FOR ASSESSMENTS.

4.9.1. Notwithstanding the foregoing, so long as DECLARANT owns any portion of the SUBJECT PROPERTY or any portion of the property described in Exhibit "B" which DECLARANT may add to the SUBJECT PROPERTY, or until DECLARANT notifies the MASTER ASSOCIATION in writing that it elects to pay ASSESSMENTS for COMMON EXPENSES as in the case of any other OWNER, the "Exemption Period", DECLARANT shall

not be liable for ASSESSMENTS for COMMON EXPENSES for any UNITS or PLANNED UNITS within the PROPERTY owned by it.

4.9.2. In lieu thereof, during the Exemption Period DECLARANT shall be responsible for all COMMON EXPENSES actually incurred by the MASTER ASSOCIATION in excess of the ASSESSMENTS for COMMON EXPENSES and any other income receivable by the MASTER ASSOCIATION from the OWNERS (the "DEFICIT"), except as hereafter provided.

4.9.3. During the Exemption Period, the ASSESSMENTS for COMMON EXPENSES shall be established by DECLARANT as no more than 133% of DECLARANT's good faith estimate of what the ASSESSMENT would be when the development of the SUBJECT PROPERTY as contemplated by DECLARANT was complete, assuming all COMMON AREAS anticipated to be completed at that point were completed and available for use and that the MASTER ASSOCIATION had assumed all duties and responsibilities anticipated to be delegated to it, and assuming all PLANNED UNITS were completed and assessed as such. The ASSESSMENTS so determined may be changed from time to time by DECLARANT, as applicable, based upon changes in such estimate.

4.9.4. Notwithstanding the foregoing, in the event the MASTER ASSOCIATION incurs any expense not ordinarily anticipated in the day-to-day management and operation of the SUBJECT PROPERTY, including but not limited to expenses incurred in connection with lawsuits against the MASTER ASSOCIATION, or incurred in connection with damage to property, or injury or death to any person, which are not covered by insurance proceeds, the liability of DECLARANT for such COMMON EXPENSES shall not exceed the amount that it would be required to pay if it was liable for ASSESSMENTS for COMMON EXPENSES as any other OWNER, and any excess amounts payable by the MASTER ASSOCIATION shall be assessed to the other OWNERS.

4.9.5. After the Exemption Period DECLARANT will only be liable for ASSESSMENTS for COMMON EXPENSES on the same basis as any other OWNER, and will not be obligated to pay any further monies to the MASTER ASSOCIATION, including but not limited to any deficits, provided, however, that DECLARANT may, without prejudice to their right to discontinue payments thereafter, voluntarily pay any deficits of the MASTER ASSOCIATION.

4.9.6. In any event, during the Exemption Period the MASTER ASSOCIATION will not be required to fund the portion of any reserve account reflected in the budget which is attributable to any UNITS owned by DECLARANT or any PLANNED UNITS.

4.9.7. The foregoing provisions shall likewise apply with respect to any PARCEL EXPENSES for any PARCEL, as to the PARCEL DEVELOPER of the PARCEL. Furthermore, any obligation of a PARCEL DEVELOPER to fund any PARCEL ASSESSMENTS or any deficits in any PARCEL EXPENSES may be established pursuant to any PARCEL DECLARATION, and in that event the PARCEL DECLARATION shall control over any conflict with the provisions of this Paragraph. In addition, DECLARANT shall not be liable for any PARCEL ASSESSMENTS or PARCEL EXPENSES relating to any PARCEL except to the extent DECLARANT is the PARCEL DEVELOPER of the PARCEL or an OWNER within the PARCEL.

4.10. Exclusion for Expenses Relating to Completed UNITS: Notwithstanding anything contained herein to the contrary, in the event the MASTER ASSOCIATION incurs any COMMON EXPENSE or PARCEL EXPENSE, which by its nature is applicable only to a completed UNIT, such expense shall only be assessed to and payable by the OWNERS of completed UNITS, and shall not be included within any ASSESSMENTS payable by DECLARANT or any PARCEL DEVELOPER or any OWNER of any PLANNED UNITS. Such expenses include, for example, expenses for bulk cable television or home security monitoring service, or expenses relating to the maintenance of landscaping upon any LOT or the maintenance of any exterior walls or roofs of a UNIT, which may be incurred pursuant to this DECLARATION or any PARCEL DECLARATION.

4.11. PARCEL ASSOCIATION. If any PARCEL is subject to the jurisdiction of a separate PARCEL ASSOCIATION, at the request of the PARCEL ASSOCIATION the MASTER ASSOCIATION may agree to include in the ASSESSMENTS against the OWNERS within the PARCEL any assessments that may be imposed by the PARCEL ASSOCIATION, and remit such funds to the PARCEL ASSOCIATION as same are collected. Furthermore, at the request of the MASTER ASSOCIATION, the PARCEL ASSOCIATION shall collect all ASSESSMENTS