

**CERTIFICATE OF RECORDING MERGED, AMENDED, AND RESTATED DECLARATION
OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
GARDEN LAKES HOMEOWNERS ASSOCIATION, INC.
AND MERGED, AMENDED, AND RESTATED BY-LAWS FOR
GARDEN LAKES HOMEOWNERS ASSOCIATION, INC.**

This Merged, Amended, and Restated Declaration of Covenants, Conditions, and Restrictions of GARDEN LAKES HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit (“Association”) is made this __ day of _____, 2016.

WITNESSETH:

WHEREAS, the real Property located in Palm Beach County, Florida as more particularly described in “Exhibit “B” together with all improvements thereon (the “Property”), is subject to the provisions of that certain Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 2847, Page 1331 of the Public Records of Palm Beach County, Florida, and as amended by that Certain First Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 3379, Page 630 of the public Records of Palm Beach County, Florida, and as amended by that Certain Second Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 3483, Page 452 of the public Records of Palm Beach County, Florida and as amended by that certain Third Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 4640, Page 933, and as amended by that Certain Fourth Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 7154, Page 380 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 8152, Page 1831 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 8435, Page 956 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 8642, Page 608 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 9660, Page 1047 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 10966, Page 1687 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 14793, Page 299 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 20233, Page 1570 of the public Records of Palm Beach County, Florida, and as amended by that Certain Amendment to the Declaration of Covenants, Conditions, and Restrictions recorded in Official Record Book 4529, Page 184 of the public Records of Palm Beach County, Florida (collectively, the “Original Declaration”) which provides a flexible and reasonable method for the administration and maintenance of the Property, and

WHEREAS, the Original Declaration and Bylaws may be amended from time to time with the approval of the Owners in accordance with the provisions of the Original Declaration of Covenants, Conditions, and Restrictions and Bylaws.

WHEREAS, the required membership approval of this Declaration and Bylaws has been obtained and the original Declaration and Bylaws and each amendment is hereby terminated and are of no further force and effect.

NOW THEREFORE, the Original Declaration and each Amendment is hereby terminated and of no further force and effect and the Association hereby declares that all of the real Property described in Exhibit "B" shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the following easements, restrictions, covenants, charges, liens and conditions which are for the purpose of protecting the value, attractiveness and desirability of said real Property and to provide a uniform plan of development for same. These conditions and restrictions shall touch and concern and run with title to the Property and shall be binding on all parties having any right, title or interest in the Property or any portion thereof, and their successors, heirs, successors-in-title and assigns, and shall inure to the benefit of each and every Person or entity, from time to time, owning or holding an interest in said real Property.

WHEREAS, the Merged, Amended, and Restated By-Laws for Garden Lakes Homeowners Association, Inc. are attached as an Exhibit thereto; and

NOW, THEREFORE, the undersigned hereby certify that the attached Merged, Amended, and Restated Declaration of Covenants, Conditions, and Restrictions and Merged, Amended, and Restated By-Laws are true and correct copies of the full text of those documents, as amended by the membership, as they exist as of this date. The exhibits to the original Declaration of Covenants are not being re-recorded herewith unless specifically stated and remain as attached to the original documents.

WITNESS my signature hereto this ____ day of _____, 2016, at Palm Beach County, Florida.

**GARDEN LAKES HOMEOWNERS
ASSOCIATION, INC.**

Witness

By: _____
President

PRINT NAME

Attest: _____
Treasurer

Witness

PRINT NAME

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this ___ day of _____, 2016 by _____ and _____, as President and Treasurer, respectively, of GARDEN LAKES HOMEOWNERS Association, Inc., a Florida non-for-profit corporation, on behalf of the corporation. They are personally known to me or have produced _____ as identification and did take an oath.

_____(Signature)

_____(Print Name)

Notary Public, State of Florida at Large

**MERGED, AMENDED, AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF GARDEN LAKES HOMEOWNERS ASSOCIATION, INC., OF PALM BEACH COUNTY**

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ARTICLE I DEFINITIONS

Section 1. Definitions

1.1 "Architectural Review Committee" or "ARC" or "Committee" shall mean and refer to the committee created pursuant to Article VII hereof.

1.2 "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Garden Lakes, as amended from time to time, which have been filed in the office of the Secretary of the State of Florida.

1.3 "Assessment" shall mean and refer to "Common Assessments," "Individual Assessments," and "Special Assessments" (as each is hereinafter defined) collectively, as the context may require. They shall mean and refer to those charges made by the Association from time to time against the Lots or Units in accordance with Article IX of this Declaration, for the purposes and subject to the terms set forth therein.

1.4 "Association" or "Garden Lakes" shall mean and refer to Garden Lakes Homeowners Association, Inc. a Florida not-for-profit corporation, its successors and assigns.

1.5 "Basic Service" shall mean "basic service tier" as described in Section 62(b)(7)(A) of the Cable Television Consumer Protection Act of 1992.

1.6 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of Garden Lakes.

1.7 "Bylaws of the Association" or "Bylaws" shall mean and refer to the Merged, Amended, and Restated Bylaws of Garden Lakes, which govern the administration and operation of the Association and have been adopted by the Board, a copy of which is attached hereto as Exhibit "A," as such Bylaws may be amended from time to time. The Bylaws are attached hereto for informational purposes only, and no amendment of this Declaration shall be required in the event the Bylaws are amended from time to time pursuant to their terms.

1.8 "City" shall mean and refer to Palm Beach Gardens, Florida, including all of its agencies, divisions, departments, attorneys or agents employed to act on its behalf.

1.9 "Common Areas" shall mean and refer to all real Property interests and Personalty including any Improvements, amenities, easements, fixtures and facilities thereon owned, leased, controlled or operated by the Association or to which the Association accepts maintenance responsibilities, or the use of which has been granted to the Association as set forth in this Declaration or an amendment thereto, or a deed of conveyance, or that hereafter may be conveyed or leased to the Association or to which use rights have been granted to the Association. The Common Areas do not include any portion of any Unit. The designation of any land and/or improvements as Common Areas shall not mean or imply that the

public at large acquires any easement or use or enjoyment therein.

1.10 "Common Assessment" shall mean and refer to the routine Assessment for Operating Expenses described in Article IX hereof.

1.11 "Common Expenses" shall mean and refer to all actual and estimated expenditures made or incurred by or on behalf of the Association, together with all funds assessed for the creation or maintenance of reserves, if any, pursuant to the provisions of this Declaration.

1.12 "Community Control Program" shall mean any electronic surveillance and/or monitoring system intended to control access, provide alarm service, and/or enhance the welfare of the Property. By way of example, and not of limitation, the term Community Control Program may include one or more electronic entrance gates, gatehouses, a roving attendant, a bulk alarm contract or any combination thereof. THE PROVISION OF A COMMUNITY CONTROL PROGRAM SYSTEM (INCLUDING ANY TYPE OF GATEHOUSE) SHALL IN NO MANNER CONSTITUTE A WARRANTY OR REPRESENTATION AS TO THE PROVISION OF OR LEVEL OF SECURITY WITHIN THE PROPERTY. THE ASSOCIATION DOES NOT GUARANTEE OR WARRANT, EXPRESSLY OR BY IMPLICATION, THE MERCHANTABILITY OF FITNESS FOR USE OF ANY COMMUNITY CONTROL PROGRAM SYSTEM, OR THAT ANY SUCH SYSTEM (OR ANY OF ITS COMPONENTS OR RELATED SERVICES) WILL PREVENT INTRUSIONS, FIRES, OR OTHER OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE COMMUNITY CONTROL PROGRAM SYSTEM IS DESIGNED TO MONITOR THE SAME. EACH AND EVERY OWNER AND THE OCCUPANT OF EACH UNIT ACKNOWLEDGES THAT THE ASSOCIATION, ITS EMPLOYEES, AGENTS, MANAGERS, DIRECTORS, AND OFFICERS, ARE NOT INSURERS OF OWNERS OR UNITS, OR THE PERSONAL PROPERTY LOCATED WITHIN UNITS. THE ASSOCIATION WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES, OR DEATHS RESULTING FROM ANY SUCH EVENTS.

1.13 "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Property. The Board may reasonably and more specifically determine such standard.

1.14 "County" shall mean and refer to Palm Beach County, Florida, including all of its agencies, divisions, departments, attorneys, or agents employed to act on its behalf.

1.15 "Data Transmission Services" shall mean enhanced services as defined in Section 64 - 702 of Title 47 of the Code of Federal Regulations, as amended from time to time, and without regard to whether the transmission facilities are used in interstate commerce.

1.16 "Days" shall mean and refer to calendar days.

1.17 "Declaration" shall mean and refer to this document, entitled "Merged, Amended, and Restated Declaration of Covenants, Conditions, and Restrictions for Garden Lakes Homeowners Association, Inc.," as the same may be amended from time to time.

1.18 "Dwelling Unit" shall mean and refer to any residential Dwelling Unit intended as an

abode for one family or one integrated household and which is constructed (as evidenced by the issuance of a certificate of occupancy) on portions of the Property more particularly described as Residential Property (as that term is hereinafter defined). Dwelling Unit shall include, without limitation, to all or any portion of a building situated upon a Lot or Lots designed and intended for use and occupancy, and shall be used only for residential purposes.

1.19 "Expanded Basic Service" shall mean video programming and/or internet services as same shall be decided from time to time by the board, offered in addition to basic service, excluding premium channels.

1.20 "Individual Assessment" shall mean and refer to a charge against one or more Owners and their respective Dwelling Units, directly attributable to such Owner(s)' failure to duly perform their obligations hereunder, and the Association's enforcement of this Declaration against such Owner(s) and/or Dwelling Unit, as further described in Article IX, Section 5 hereof.

1.21 "Institutional Mortgage" shall mean and refer to any bona fide first mortgage encumbering a Dwelling Unit which was made in favor of a bank, life insurance company, federal or state savings and loan association, real estate or mortgage investment trust, or other lender who makes residential mortgage loans in the ordinary course of its business and is generally recognized in the Community as an institutional lender. Institutional Mortgage shall also mean and include a mortgage held by the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Veterans Administration, and Federal Housing Administration, or any other agency of the United States of America holding, guaranteeing, or issuing a first mortgage on a Dwelling Unit.

1.22 "Institutional Mortgagee" shall mean and refer to the holder of any Institutional Mortgage.

1.23 "Management Company" shall mean and refer to the Person, firm, or other entity employed by the Association as its agent to assist it in fulfilling or carrying out certain duties, powers, obligations, or functions of the Association.

1.24 "Members" shall mean and refer to those Persons who are entitled to membership in the Association, as provided in Article III hereof.

1.25 "Mortgage" shall mean and refer to a mortgage, installation land sales contract, or other similar security instrument granting, creating or conveying a lien upon, or a security interest in, a Lot or Unit.

1.26 "Mortgagee" shall mean and refer to the holder of a mortgage.

1.27 "Multi-Channel Video Programming Service" shall mean any method of delivering video programming to Units, including without limitation, interactive video programming. By way of example,

and not of limitation, the term Multi-Channel video programming service may include cable television, satellite antenna television, multiplier distribution systems, video dial tone, or any combination thereof.

1.28 "Notice of Lien" shall mean and refer to the notice described in Article IX, Section 7 hereof.

1.29 "Occupant" shall mean and refer to any Person, including, without limitation, any Owner or any guests, invitees, lessee, tenant, or family member of an Owner, occupying or otherwise using a Lot or Unit within the Property.

1.30 "Operating Expenses" shall mean and refer to the actual and estimated costs of Ownership, maintenance, management, operation, repair, and replacement of the Common Areas, or the operation of the Association, including reserves for the foregoing to the extent adopted as part of the Association's budget, as provided in the Bylaws, including, without limitation: (a) unpaid Assessments; (b) the costs of any and all commonly-metered utilities, cable or television charges, commonly used satellite, Internet or like commonly used telecommunications services and other commonly-metered charges for the Common Areas, or, at the Board's discretion, provided to the Units; (c) costs of management, operation, and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other agents, employees, or independent contractors; (d) costs of all gardening and other services benefitting the Common Areas, and all recreational and other commonly used facilities located thereon; (e) costs of operation and maintenance of the gatehouses and associated costs; (f) costs of fire, casualty and liability insurance, workers' compensation insurance, and other insurance covering or connected with the Association or Common Areas; (g) costs of bonding the members of the Board and the Management Company; (h) taxes paid by the Association, including real Property taxes for the Common Areas, if any; (i) amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Areas, or portions thereof; (j) the costs of performing any service or obligation imposed by the City or County, (k) the costs of maintenance relating to Property owned by the Community Development District, and (l) the costs of any other items or expenses incurred by the Association for any reason whatsoever in connection with the Common Areas, the Association's rights or duties under the Project Documents, and/or for the benefit of the Owners or the Project.

1.31 "Owner" shall mean and refer to a record Owner of any percentage of the fee simple interest in a Dwelling Unit, excluding those Persons having an interest in a Dwelling Unit merely as security for the performance of an obligation. If a Dwelling Unit is owned by more than one Person, the term Owner shall mean each such Person, jointly and severally. Every Owner of a Lot or Unit shall be deemed to be a member of the Association for purposes of this Declaration and the Bylaws.

1.32 "Person" shall mean and refer to any individual, corporation, governmental agency, trust, estate, partnership, association, two or more Persons having a joint or common interest, or any other legal entity with the legal right to hold title to real Property.

1.33 "Premium Channel" shall mean any channel recognized in the industry as premium including, without limitation, HBO, Showtime, Disney, Cinemax, and the movie channel.

1.34 "Recreational Facilities" shall mean and refer to any Recreational Facilities that are constructed on the Property. Recreational facilities are part of the Common Areas.

1.35 "Residential Property" shall mean and refer to those portions of the Property to be used for Residential Purposes and legally described in Exhibit "B" hereto, or so designated and described in any Supplemental Declaration.

1.36 "Residential Purposes" shall mean and refer to those purposes described in Article VI, Section 2 hereof.

1.37 "Roads" shall mean and refer to any street or thoroughfare which is constructed within the Property, and which is dedicated to the Association, or to any governmental agency, whether same is designated, for example, by way of illustration and not of limitation, as a street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, walk, alley, or similar designation.

1.38 "Rules" shall mean and refer to the Rules and Regulations, and the policies of the Association, which are duly adopted by the Board from time to time.

1.39 "Special Assessment" shall mean and refer to a charge against Owners and their Dwelling Units, representing their proportionate share of the cost incurred by the Association for: (i) reconstruction of a "Structure" (as hereinafter defined) located on the Common Areas, pursuant to the provisions of this Declaration; (ii) installation or construction of any capital improvements, including new Structures, to be located on any Common Areas, which the Association may from time to time authorize; or (iii) any other extraordinary expense of the Association, including, but not limited to, amounts necessary to pay shortages in Operating Expenses of the Association, after collections of Common Assessments, as further described in Article IX, Section 4 hereof.

1.40 "Structure" shall mean and refer to an improvement which is constructed or joined together in some definite manner, the use of which requires more or less permanent or temporary location on the ground, or which is attached to something having a permanent or temporary location on the ground. The term shall be construed as if followed by the words "or part thereof," unless otherwise so stated.

1.41 "Surface Water Management System" shall mean the collection of devices, improvements, or natural systems whereby surface waters are controlled, impounded, or obstructed. This term may include, but is not limited to, exfiltration trenches, wetland preservation areas, Wetland Mitigation Areas, canals, dams, impoundments, reservoirs, drainage maintenance easements, and all structures, works, and/or improvements defined in permits and/or referenced in Section 373.403 of the Florida Statutes to the extent the same exist within the Property.

1.42 "Telecommunications Provider" shall mean any party contracting with the Association to provide Owners with one or more telecommunications services. With respect to any particular telecommunications services, there may be one or more telecommunications providers. By way of example, with respect to multi-channel video programming service, one telecommunications provider may provide the Association such service while another may own, maintain, and service the telecommunications systems that allow delivery of such multi-channel video programming service or Internet.

1.43 "Telecommunications Services" shall mean local exchange services provided by a certified local exchange carrier or alternative local exchange company or alternative local exchange company, intra LATA, and intraLATA voice telephony and data transmission service, Internet, and multi-channel video programming service. Without limiting the foregoing, telecommunications services may include the provision of the following services: Toll Calls, Data Transmission Services, Internet, Basic Service, Expanded Basic Service, and Premium Channels.

1.44 "Telecommunications Systems" shall mean all facilities, items, and assets required and/or used in order to provide telecommunications services to the Property. Without limiting the foregoing, telecommunications systems may include wires (fiber optic or other material), conduits, passive and active electronic equipment, pipes, wireless cell sites, computers, modems, satellite antenna site(s), transmission facilities, amplifiers, junction boxes, trunk distribution, drop cables, related apparatus, converters, connections, head-end antennae, earth station(s), appurtenant devices, network facilities necessary and appropriate to support provision of local exchange services and/or any other item appropriate or necessary to support provision of Telecommunications Services. Ownership and/or control of all of a portion of any part of the Telecommunications Services may be bifurcated among network distribution architecture, system head-end equipment, and appurtenant devices (e.g., individual adjustable digital Units).

1.45 "Toll Calls" shall have meaning given to such term by the Florida Public Service Commission and/or the Federal Communications Commission.

1.46 "Unit" shall mean the structure which the homeowner owns in fee simple title, which shall be located in a structure containing four (4) separate townhouse units. Ownership of these units shall be separated by a Declaration of Party Facilities filed in the Public Records of Palm Beach County, Florida. Such townhouse unit is designed and intended for use and occupancy as a residence by a single family.

1.47 "Wetland Mitigation Areas" shall mean those certain wet land areas located within the Property which are governed by a permit issued by the SFWMD, which may include wetland enhancement, wetland creation areas, and buffers that protect the mitigation areas from disturbance in untreated areas off such as fences.

Section 2. Interpretation and Flexibility

In the event of any ambiguity or question as to whether any Person, entity, Property, or improvement falls within any of the definitions set forth in this article I, the determination made by the Board and such regard shall be binding and conclusive.

ARTICLE II PROPERTY SUBJECT TO DECLARATION

Section 1. Property. The real Property which shall initially be held, transferred, sold, conveyed, given, joined, and/or occupied subject to this Declaration is described in Exhibit “B” attached hereto and made a part hereof by reference.

Section 2. Dedication of Property. Association, by the Board of Directors, may dedicate, reserve, and convey all or portions of the Common Property to the South Florida Water Management District, Florida Power and Light, Palm Beach County, or any other controlling governmental agency, if required by any such governmental agency, and may grant easements over, under, and through the Common Properties in favor of any of the foregoing governmental agencies, if required by any such governmental agencies.

ARTICLE III PROPERTY RIGHTS

Section 1. General. Each Lot and Unit shall for all purposes constitute real Property which shall be owned in fee simple and which, subject to the provisions of this Declaration, may be conveyed, transferred, and encumbered, the same as any other real Property. No person or entity may reside in a vehicle or a trailer. Each Owner shall be entitled to the exclusive ownership and possession of his Lot or Unit, subject to the provisions of this Declaration. The ownership of each Lot and Unit shall include, and there shall pass with each Lot and Unit as an appurtenance thereto, membership in the Association, provided, however, that the Board shall have the right to establish Rules and Regulations which require prospective Owners to obtain approval from the Association prior to purchasing a Unit within the Property and becoming a member of the Association. Each Owner shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his Association membership shall automatically pass to the successor-in-title to his Lot or Unit. Lots shall not be subdivided and the boundary between Lots shall not be relocated.

Section 2. Use of Common Areas. Every Owner shall have a non-exclusive right, privilege, and easement of use and enjoyment in and to the Common Areas, subject to this Declaration, as it may be amended from time to time, and subject to any restrictions or limitations contained in this Declaration, the Board’s Rules and Regulations as same may be amended from time to time, or in any deed conveying such property to the Association or in any easements or other agreements encumbering the Common Areas. Any Recreational Facilities or equipment furnished by the Association or erected within the Common Area shall be used at the risk of the user, and the Association shall not be held liable to any Person or Entity for any claim, damage, or injury occurring thereon or related to use thereof. Any Owner

may delegate his or her right to the enjoyment of the members of his or her family, tenants, and social invitees subject to reasonable regulation by the Board, and in accordance with procedures which it may adopt. An Owner who leases his or her Unit shall be deemed to have delegated all such rights to the Unit's lessee. The rights and easements of enjoyment created hereby shall be subject to the following:

A. the right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real and Personal Property as security for money borrowed or debts incurred;

B. the right of the Association, acting through the Board, to take such steps as are reasonably necessary to protect the Common Areas against Foreclosure;

C. the right of the Association, acting through the Board, to suspend

i. the right of an Owner, Occupant, their tenants, family members, and guests to the Recreational Facilities within the Common Areas for any period during which an Assessment or any other charge against its Owner's Unit remains delinquent, and

ii. the enjoyment rights and easements of any Owner for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation (other than a delinquent Assessment) of this Declaration, the Articles, the Bylaws, or the Rules and Regulations of the Association as the same may be amended from time to time after notice and hearing.

D. the right of the Association, acting through the Board, to maintain the Common Areas.

E. the right of the Board to adopt Rules and Regulations affecting the use and enjoyment of the Common Areas including, without limitation, rules restricting the use of Recreational Facilities within the Common Areas to Occupants of Units, and rules limiting the number of guests who may use the Common Areas. The Board may also promulgate procedures for the enforcement of the Rules and Regulations, including, without limitation, the Assessment of fines against Owners, family members, guests, invitees, licensees, employees, or agents who violate such restrictions. The fines will be levied in accordance with Article VIII as an Individual Assessment upon the Owner who violates the restrictions, or upon the Owner whose family members, guests, tenants, invitees, licensees, employees, or agents who violate restrictions. Before any fine shall be effective, the Owner shall be entitled to notice and an opportunity to be heard in accordance with Article VIII.

F. the right of the Board to establish parking regulations throughout the Common Areas. In the event the Board has established parking regulations, the Board shall also promulgate procedures for the enforcement of the parking regulations, including, without limitation, the Assessment of fines against Owners or tenants who violate the parking regulations and against Owners and tenants whose family members, guests, invitees, licensees, employees, or agents violate the parking regulations. Before any fine shall be levied, the Owner or tenant shall be entitled to notice and an opportunity to be heard in accordance with Article VIII.

G. the right of the Association to dedicate or transfer all, or any part, of the Common Areas to

any governmental or quasi-governmental agency, authority, utility, water management, or water control district.

H. the restrictions contained on any plat, or filed separately in the public records of the county, with respect to all or any portion of the Property.

I. all of the provisions of this Declaration, the Articles and Bylaws of the Association and all exhibits thereto, and all Rules and Regulations adopted by the Association, as same may be amended from time to time.

J. the right of the Association to grant and accept easements as provided in Article IV hereof and to dedicate or transfer fee simple title to all or any portion of the Common Areas to the City, the County, the State of Florida or to any other local, state or federal government entity, or to any public agency or authority, public service district, public or private utility, or other person.

K. the rights and easements reserved in Article IV hereof for the benefit of the Association, its directors, officers, agents, contractors, and employees.

Section 3. Title to the Common Areas

A. Title to the Common Areas was conveyed to the Association at the time the developer turned over the Association to the Members. Notwithstanding the manner in which title is held, the Association shall be responsible for the management, maintenance, and operation of the Common Areas and for the payment of all real estate taxes and other charges which are liens against the Common Areas. The Association assumes all responsibilities under any permits or governmental approvals affecting the Common Areas.

B. After the conveyance or dedication of any portion of the Common Areas to the Association, the portion of the Common Areas so dedicated shall be owned, operated, and administered by the Association for the use and benefit of the Owners of all property interests in Garden Lakes including, but not limited to, the Association, Owners, and any Lenders, subject to the Association's right to grant easements, and other interests as provided herein, and to convey property to utility companies or governmental agencies and to hypothecate for financing. Except as otherwise referenced in this Declaration, the Association may not convey or transfer all or a portion of the Common Areas to a third party without a vote of at least 75% of the homeowners and board members at a duly called meeting of homeowners, provided a quorum exists. A quorum shall constitute 51% of all the Unit Owners or a lesser amount if 80% of all the homeowners present at the meeting (in person, by consent, and by proxy) vote to constitute a quorum. In that event, a quorum shall exist for the purposes of that particular meeting.

C. No Partition. There shall be no judicial partition of the Property or any part thereof, nor shall any person acquiring any Interest in the Property or any part thereof seek any such judicial partition unless the Property has been removed from the provisions of this Declaration.

D. Obstruction of Common Areas. No portion of the Common Areas may be obstructed, encumbered, or used by Owners for any purpose other than as permitted by the Association, the Board,

who may promulgate rules from time to time, and this Declaration.

E. Assumption of Risk. Without limiting any other provision herein, each person within any portion of the Common Areas accepts and assumes all risk and responsibility for noise, liability, injury, or damage connected with use or occupation of any portion of such Common Areas including, without limitation, (a) noise from maintenance equipment, (b) use of pesticides, herbicides, and fertilizers, (c) view restrictions caused by maturation of trees and shrubbery, (d) reduction in privacy caused by the removal or pruning of shrubbery or trees within any portion of the Common Areas, and (e) design of any portion of the Common Areas. The person also expressly indemnifies and agrees to hold harmless the Association and all employees, directors, representatives, officers, agents, contractors, and partners of the foregoing, from any and all damages, whether direct or consequential, arising from or related to the person's use of the Common Areas, including for attorneys' fees, paraprofessional fees and costs at trial and upon appeal. Without limiting the foregoing, all persons using the Common Areas, including, without limitation, any pool, pond, lake, or area adjacent to these areas, do so at their own risk. BY ACCEPTANCE OF A DEED, EACH OWNER ACKNOWLEDGES THAT THE COMMON AREAS MAY CONTAIN WILDLIFE INCLUDING, BUT NOT LIMITED TO SUCH SPECIES AS ARMADILLOS, GOPHER TORTOISE, ALLIGATORS, FISH, RACCOONS, DEER, SNAKES, AND OTHER REPTILES, FOWL, AND FOXES. THE ASSOCIATION SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER, TENANT, AND HIS OR HER GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.

F. Owner's Obligation to Indemnify. Each Owner agrees to indemnify and hold harmless the Association and its officers, directors, agents, employees, and contractors (collectively, "Indemnified Parties") against all actions, injury, claims, loss, liability, damages, costs, and expenses of any kind or nature whatsoever ("Losses") incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect, or consequential, as a result of or in any way related to the Common Areas, including, without limitation, use of the lake and other water bodies within the Property by Owners, Occupants, tenants and their guests, family members, invitees, or agents, or the interpretation of this Declaration and/or exhibits attached hereto and/or from any act or omission of the Association, or of any of the Indemnified Parties. Should any Owner bring suit against the Association or any of the Indemnified Parties for any claim or matter and fail to obtain Judgment therein against such Indemnified Parties, such Owner shall be liable to such parties for all Losses, costs, and expenses incurred by the Indemnified Parties in the defense of such suit, including attorneys' fees and paraprofessional fees at trial and upon appeal and in the collection of attorneys' fees and paraprofessional fees.

G. Burden Upon the Property. It is hereby declared that this Declaration and the covenants, restrictions, and easements established herein shall be covenants to run with the land, and shall inure to the benefit of, and be binding upon, each and every Owner and his or her respective heirs, representatives, successors, purchasers, lessees, grantees, and mortgagees. By the recording or acceptance of the conveyance of a Lot or Unit or any interest therein, the person or entity to whom such interest is conveyed shall be deemed to accept and agree to be bound by the provisions of this Declaration and the Bylaws of the Association.

H. Nonseverability of Rights. The rights, liabilities, and obligations set forth herein shall attach

to and run with the ownership of any portion of the Property as more specifically set forth herein and may not be severed or alienated from such ownership. The transfer of the fee title to a Unit or Lot, whether voluntary or by operation of law, terminating the Owner's title to that Unit or Lot shall terminate the Owner's rights to the use of and enjoyment of the Common Areas as it pertains to that Unit or Lot. An Owner's rights and privileges under this Declaration are not assignable separately from a Unit or Lot.

ARTICLE IV EASEMENTS

Section 1. Access Easements. All Owners, by accepting title to Lots or Units conveyed subject to this Declaration, waive all Rights of uncontrolled and unlimited access, ingress and egress to and from such Unit and acknowledge and agree that such access, ingress and egress shall be limited to Roads, walkways, paths, sidewalks and other Common Areas located within the Property, from time to time for such purposes, provided that pedestrian and vehicular access to and from all Units shall be provided at all times. In addition, in the event that an Owner is unable to access portions of their Lot or Unit without crossing or entering a portion of an adjoining Unit or Common Area, then such Owner shall have an easement of access over and upon such adjoining Lots, Units, and/or Common Areas for the purposes of allowing such Owner to (i) install, construct, or establish Improvements to such Owner's Lot or Unit, (ii) repair, maintain, replace, and/or upgrade portions of such Owner's Lot or Unit, and (iii) access the rear of the Lot or Unit from the front of the Lot or Unit and access the front of the Lot or Unit from the rear of the Lot or Unit. Each Owner is responsible for any damage caused to the adjoining Lot or Common Area as a result of such access and is responsible for returning the Lot or Common Area to the condition which existed prior to such access.

Section 2. Permits, Licenses, and Easements. The Association shall have the right to grant, modify, amend, and terminate permits, licenses, and easements over, upon, across, under, and through the Common Areas of the Property (including Units) for Telecommunications Systems, utilities, roads, and other purposes reasonably necessary or useful as it determines, at its sole discretion. To the extent legally required, each Owner shall be deemed to have granted to the Association irrevocable Power of Attorney, coupled with an interest, for the purposes herein expressed.

Section 3. Appurtenant Easements.

A. The Association hereby grants to the Owner of each Residential Lot or Unit, his guests, lessees, licensees, and invitees as an appurtenance to the ownership of fee title interest to same and subject to this Declaration, the Articles and Bylaws of the Association, the Rules and Regulations promulgated by the Association, and all Supplemental Declarations that may hereafter be recorded in the Public Records of Palm Beach County, Florida, a perpetual, nonexclusive easement for ingress and egress over, across, and through and for the use and enjoyment of all roadways and other rights of way, such use and enjoyment to be shared in common with the other Owners of any of the Property, their guests, lessees, licensees, and invitees, provided that such easements shall be subject to such express limitations as may be placed upon the use of any roadway and other rights of way not dedicated to the public located within a portion of Garden Lakes.

B. To the extent required by Palm Beach County, the Association hereby grants to the Owner of each Residential Lot or Unit, and his guests, lessees, licensees, and invitees as an appurtenance to the ownership of such member's Residential Unit or Lot, and subject to this Declaration, the Articles and Bylaws of the Association, and the Rules and Regulations promulgated by the Board and all Supplemental Declarations that may hereafter be recorded in the Public Records of Palm Beach County, a perpetual, nonexclusive easement for ingress and egress over, across, and through and for the use and enjoyment of all Common Areas, except as may be otherwise specifically limited by this Declaration, located within those portions of the Property, such use and enjoyment to be shared in common with the other Members of the Association, their guests, lessees, licensees, and invitees.

Section 4. Utility Easement. The Association reserves to itself, its successors and assigns, a perpetual easement upon, over, under, and across the Property for the purpose of maintaining, installing, repairing, altering, and operating sewer lines, water lines, waterworks, sewer works, force mains, lift stations, water mains, sewer mains, Telecommunication Systems, Multichannel Video Programming Service, Community Control Program system, water distribution systems, sewage disposal systems, effluent disposal systems, pipes, wires, siphons, valves, gates, pipelines, and all machinery and apparatus appurtenant to all of the foregoing as may be necessary or desirable for the installation and maintenance of utilities servicing all Owners of any of the Property and servicing the Property, all such easements to be of a size, width, and location as the Association, at its discretion, deems best, but selected in a location so as to not unreasonably interfere with the use of any improvements which are now, or will be, located upon the Property.

Section 5. Service Easement. The Association hereby grants to delivery, pickup, fire protection services, police and other authorities of the law, United States mail carriers, and representatives of electrical, telephone, cable television, and other utilities authorized by the Association, its successor or assigns, to service the Property, and to such other persons as the Association from time to time may designate, the nonexclusive, perpetual right of ingress and egress over and across the Property, roadways, and other rights of way for the purposes of performing their authorized services and investigations. The provisions of this section 5 shall be limited to the roadways and other rights of way, both public and private, shown on the Plat.

Section 6. Signage Easements. The Association hereby reserves to itself, its successors and assigns, and to the Association, a perpetual easement, privilege and right in and over, under, on, and across the Common Areas running adjacent to the perimeters of Garden Lakes necessary for the purpose of erecting, maintaining, and repairing signage for Garden Lakes. The term "signage" as used in this section 6 shall include, but not be limited to, signs, planter boxes, landscaping, fountains, and waterfalls.

Section 7. Streetlight Easements. Easements for the installation and maintenance of streetlights are hereby granted to the Association within all public or private roads and road rights-of-way and as shown on all recorded plats for the Property. Within these easement areas, the Association may install and maintain streetlights and related apparatus as the Association deems necessary or appropriate. The Association and its agents, employees, and contractors shall have access to all Lots and Units for the purpose of the operation and maintenance of such street light easements. The Association shall have the right to contract for the maintenance of any portion of the streetlight system with an established streetlight

maintenance company or with any other party.

Section 8. Easements for Association. There is hereby reserved a general right and easement for the benefit of the Association, its directors, officers, agents, contractors, and employees, including, but not limited to, any personnel or contractors employed by the Association, and any employees of such contractor, to enter upon any Lot or Unit or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during daylight hours. In the case of any emergency originating in, or threatening the Property or any Unit, regardless of whether the Owner or Occupant is present at the time of such an emergency, a Member of the Board or Association or any other Person authorized by the Board, may enter the Property or such Unit, for the purpose of remedying, or abating, the cause of such an emergency, and such right of entry shall be immediate.

A. Drainage Easement. Easements for the drainage and installation and maintenance of drainage facilities are granted to the Association and governing municipality responsible for such as shown on all recorded plats for the Property or as may otherwise be established from time to time. Within these easement areas no structure, planting, or material other than sod, shall be placed or permitted to remain which may interfere with such installation and maintenance or which may obstruct or retard the flow of water through drainage channels, unless expressly approved by the Association. There is hereby reserved for the benefit of the Association and its Owners non-exclusive rights and easements for drainage and discharge of surface water onto and across the Property, provided that such drainage and discharge shall not materially damage or affect the Property or any improvements from time to time thereon. The foregoing easements shall cover all lakes and drainage easements located anywhere within the Property. The Association shall have the right to contract for the maintenance of any portion of the Surface Water Management System with an established water management or water control district or with other party.

B. Landscaping Easement. Easements for the installation and maintenance of sod and other landscaping of swales and other areas are hereby granted to the Association for all public or private roads and road rights-of-way and as shown on all recorded plats for the Property. Within these easement areas, the Association may install and maintain sod and such other landscaping as the Association deems necessary or appropriate. The Association shall have access to all Lots and Units for the purpose of the operation and maintenance of such landscape easements.

C. Maintenance Easement. There is hereby reserved for the benefit of the Association and its agents, employees, contractors, successors, and assigns, an alienable, transferable, and perpetual right and easement to enter upon any Lot and upon unimproved portions of any Unit or Condominium Property for the purpose of mowing, removing, cleaning, cutting, or pruning underbrush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety, and appearance within the Property, provided that such easements shall not impose any duty or obligation upon the Association to perform any such actions, unless expressly required by this Declaration.

Section 9. Encroachment Easements. There is hereby reserved a temporary easement for encroachment in the event any improvements upon the Common Areas now or hereafter encroaches upon a Lot or a Unit, or in the event that any Lot or Unit now or hereafter encroaches upon the Common Areas or upon another Unit, as a result of minor inaccuracies in survey, construction, reconstruction, or due to settlement or movement or otherwise to a distance of not more than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. The encroaching

improvements shall remain undisturbed as long as the encroachment exists, and shall be eliminated once it is extinguished. This easement for encroachment shall also include an easement for the maintenance and use of the encroaching improvements. In no event shall an easement for encroachment exist if such encroachment occurred due to willful and voluntary conduct on the part of or with the knowledge and consent of an Owner or the Association.

Section 10. Creation of Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association's agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally granted the benefit of such easement, and the Owners hereby designate the Association as their lawful attorney-in-fact to execute any Instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited.

Section 11. Extent of Easements. The rights and enjoyment of the easements created hereby shall be subject to such reasonable Rules and Regulations for the use and enjoyment of the rights granted by the easements as may be promulgated by the Association from time to time through the Board.

Section 12. Further Restrictions. Nothing other than storm water may be discharged into any lake, canal, or other body of water located within or adjacent to the Property. Any permanent device through which water is drawn from any lake, canal, or other body of water onto or within any of the Property shall be subject to the prior written approval of the Architectural Review Board as hereinafter established.

ARTICLE V FUNCTIONS OF ASSOCIATION

Section 1. Services:

Required Services. The Association shall, as required, provide the following:

A. Clean-up, landscaping, landscaping maintenance, improvement maintenance, repairs of and replacement of, and renovation, and shall keep them in good, clean, attractive, and sanitary condition, order, and repair, consistent with this Declaration of:

i. All signage (including lighting thereof and supplying electricity for this purpose) of Garden Lakes located at the entrance or entrances of Garden Lakes from public streets outside of Garden Lakes including but not limited to maintenance and repair of any signs, planted boxes, and landscaping ancillary thereto.

ii. The main roads within Garden Lakes, including any gatehouses, which may

exist or someday exist, which service entrances to Garden Lakes from areas outside of Garden Lakes, and all sidewalks and drainage easements. In the event any of the roads covered by this subparagraph have been or become dedicated to the public, the provisions of this subparagraph will be subject to those of Paragraph B of this Section.

iii. All Common Areas (including, without limitation, furnishings, equipment, and such monitoring systems and utility lines, pipes, plumbing, wires, conduits, and related systems which are not maintained by a public authority, public service district, public or private utility, Owner, or other person and common landscaped areas) and all improvements thereto.

iv. At the Board's discretion, the Association may maintain vegetation, landscaping, sprinkler system, community identification features, and/or other areas or elements upon areas which are within or outside of the Association. Such areas may abut, or be proximate to Association and may be owned by, or dedicated to, others including, but not limited to, a utility, governmental or quasi-governmental entity. These areas may include (for example and not limitation) swale areas, landscape buffer areas, or median areas within the right-of-way of public streets, roads, drainage areas, community identification or features, lakes, community signage or other identification and/or areas within canal rights-of-ways or other abutting waterways. Without limiting the foregoing, the Association shall maintain all landscaping within the medians located within the public rights-of-way surrounding the Association if required by the local municipality or other order.

B. Clean-up, landscaping, landscaping maintenance, and other maintenance of all city, county, or municipal property which is located within or in a reasonable proximity to the Property, to the extent permitted by the city, county, or municipal entity/owner, and to the extent that their deterioration would adversely affect the appearance of the Property as a whole and the standard of maintenance by said city, county, or municipality is less than that desired by the Association. The Association shall adopt standards of cleanup, landscaping, maintenance, and operation required by this and other subsections within this Section which are, at the very least, as stringent as those adopted and/or followed by other first-class developments similar to Garden Lakes.

C. Clean-up, landscaping, landscaping maintenance, and maintenance of any real property, including swale areas, located within Garden Lakes upon which the Association has accepted an easement for said maintenance by duly recording an instrument granting said easement to the Association executed and delivered by the Owner of said property to the Association.

D. Business of the Association, including but not limited to, administrative services such as legal, accounting, and financial, and communication services informing Members of activities, notices of meetings, and other important events.

E. Purchase of general liability, officers and directors, hazard insurance, and all other insurance the Board of Directors deems advisable covering the Common Areas and activities of the Association.

F. Maintenance (including supplying electricity) of the lighting of those roads and sidewalks throughout the Property subject to maintenance responsibility of the Association by Section 1 of this Article.

Section 2. Obligation to Maintain. The Association shall maintain, but shall not be required to replace, all lawns, trees, shrubs, hedges, grass, and other landscaping situated within or upon the Common Areas of the Association.

Section 3. Liability. The Association is not to be liable for injury or damage to any person or property (i) caused by the elements or by any Owner, any Occupant, or any other person, (ii) resulting from any rain, drought, or other surface water which may leak, diminish, restrain, or flow from any portion of the Common Areas, or (iii) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association. Nor shall the Association be liable to any Owner for loss or damage, by theft or otherwise, of any property of such Owner which may be stored in or upon any portion of the Common Areas or any other portion of the Property. No diminution or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay such Assessments being a separate and independent covenant on the part of each Owner.

Section 4. Mortgage and Pledge. The Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association, which loans shall be used by the Association in performing its functions.

Section 5. Personal Property and Real Property. The Association may acquire, hold, and dispose of tangible and intangible personal property and real property to include, without limitation, improved or unimproved real estate, the Surface Water Management System, personal property, and leasehold and other property interests. Such property shall be maintained as Common Areas by the Association at its expense for the benefit of the Owners, subject to any restrictions set forth in the conveying deed or instrument. Furthermore, the association may enter into easement agreements or other use or possession agreements whereby Owners, Telecommunications Providers, other service providers, and/or the Association and/or others may obtain the use, possession of, or other rights regarding certain property, on an exclusive or non-exclusive basis, for certain specified purposes. The Association may agree to maintain and pay the taxes, insurance, administration, upkeep, repairs, and replacement of such property, the expenses of which shall be common expenses.

Section 6. Rules and Regulations. The Association, through its Board, may make and enforce reasonable rules governing the use of the Property, a Lot, or a Unit. Such rules shall be binding upon all Owners, tenants, Occupants, invitees, and licensees until and unless repealed or modified at a regular or special Board meeting by vote of a majority of all directors.

Section 7. Implied Rights, Board Authority. The Association may exercise any other right or privilege given to it expressly by this Declaration, the Bylaws, or the Articles or reasonably implied from, or reasonably necessary to, effectuate any such right or privilege contained therein. Except as otherwise specifically provided in this Declaration, the Bylaws, the Articles, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the Owners.

Section 8. Indemnification.

A. The Association shall indemnify every officer, director, and committee member against all expenses, including court costs and reasonable attorneys' fees, reasonably incurred by or imposed upon any current or former officer or director of the Association and member of any committee of the Association in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer or director, or by reason of any decision rendered by the committee on which he or she serves, except for expenses incurred from claims arising from such officer, director, or committee member's own individual, willful misfeasance or malfeasance, criminal conduct, or bad faith. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association or committee member, or former officer, director, or committee member may be entitled. Such indemnification shall continue as to a person who has ceased to be a director, officer, committee member, and shall inure to the benefit of the heirs and personal representatives of such a person. An adjudication of liability shall not affect the right to indemnification for those indemnified.

B. The officers and directors of the Association shall not be liable for any mistake of Judgment, negligence or otherwise, in the performance of their duties except for their own individual willful misfeasance or malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Owners). The Association shall indemnify and forever hold each such officer or director harmless from any and all liability to others on account of any such contract, commitment, or action. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present 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.

Section 9. Dedication of Common Areas. The Association may dedicate portions of the Common Areas to the City, the County, or to any other local, state, or federal governmental entity, subject to such approval as may be required by this Declaration.

Section 10. Community Control Program

A. Right to Install. The Association shall have the right, but not the obligation, to install and/or contract for the installation of a Control Program for each Unit within the Property. All Owners specifically acknowledge that the Property may have a perimeter Community Control Program, such as fences, walls, hedges, or the like on certain perimeter areas. The Association shall not be held liable for any loss or damage by reason or failure to provide an adequate Community Control Program or Ineffectiveness of Community Control Program measures undertaken.

B. No Liability. The Association shall not in any way be considered insurers or guarantors of the health, safety, welfare, or security of any Owner, tenant, Occupant, guest, licensee, employee, invitee or user of any portion of the Property. Any provisions of the Association documents setting forth the uses of Assessments which relate to health, safety, and/or welfare shall be interpreted and applied only as limitations on the uses of Assessment funds and not as creating a duty of the Association to protect or further the health, safety, or welfare of any persons, even if Assessment funds are chosen to be used for any such reason.

Each owner (by virtue of acceptance of title to his or her lot) and each other person having an

interest in or lien upon making any use of any portion of the Association (by virtue of accepting such interest or lien and making such uses) shall be bound by this provision and shall be deemed to have automatically waived any and all rights, claims, demand, and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been disclaimed in this section.

As used in this section, "Association" shall include within its meaning all of the Association's directors, officers, committee and board members, employees, agents, contractors (including management companies), subcontractor, successors, and assigns, all of which shall be fully protected hereby.

C. Components. The Association may expand, reduce, or modify the Community Control System by a vote of the majority of the Board, without the joinder or consent of the Owners or any third parties. The Association reserves the right to, at any time, increase, decrease, eliminate, or add manned or unmanned gate houses, information booths, sensors, gates, and other access monitoring measures as it deems appropriate at its sole and absolute discretion.

D. Part of Association Expenses. The cost of operating and monitoring any Community Control System shall be included in Association Expenses and shall be payable as a portion of the Assessments against Owners' Payment of the cost and expenses of any such Community Control System shall be mandatory for all Owners, regardless of whether or not they utilize the Community Control System or services of such system.

E. Owners' Responsibility. All Owners and Occupants of any Unit, and the tenants, guests, and invitees of any Owner, as applicable, acknowledge that the Association, its Board and officers do not represent or warrant that (a) any Community Control System, designated by or installed according to guidelines established, will not be compromised or circumvented, (b) any Community Control System will prevent loss by fire, smoke, burglary, theft, hold-up, vandalism, bodily injury or harm or otherwise, and/or (c) the Community Control System will in all cases provide the detection for which the system is designed or intended. Each Owner and the Association is responsible for protecting and insuring themselves in connection with such acts or incidents. Any modification of the security system in a Unit must be completed by the current security provider at the Owner's expense. The provision of a Community Control System (including any type of gatehouse) shall in no manner constitute a warranty or representation as to the provision of or level of security within the Property.

Section 11. Recycling Programs. At the Board's discretion, the Association may, but is not obligated to, establish a recycling program and recycling center within the Property and in such event, all Occupants of Units shall support such program by recycling, to the extent reasonably practical, all materials which the Association's recycling program or center is set up to accommodate.

Section 12. Insurance. The Association shall maintain property and casualty insurance on each dwelling structure in accordance with the Townhouse Building Description, as may be amended from time to time by the Board of Directors. The Association's obligation for insurance includes, but is not limited to, the roof, mansard, structural (unfinished) walls and ceilings and balcony. The insurance will not cover doors, finished interior walls, or painting of interior walls, nor sliding doors, fences, windows, electrical wiring, or pipes (plumbing fixtures).

The Board of Directors or its duly authorized agents shall have the authority to and shall obtain and continue in effect property insurance, in such form as the Board deems appropriate, for the benefit of the Association insuring all insurable improvements in and to the Common Areas against loss or damage

by fire or other hazards, including, without limitation, extended coverage, vandalism, and malicious mischief, such coverage to be in an amount sufficient to cover the full replacement cost (subject to such deductible levels as are deemed reasonable by the Board) of any repair or reconstruction in the event of damage or destruction from any such hazard. The policy or policies purchased by the Association shall be in the amount equal to the full replacement value (i.e., 100% of current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage) of the commonly used facilities (including all building services equipment and the lake).

Premiums upon insurance policies purchased by the Association shall be paid by the owners of Lots, and each Owner of a Lot is hereby made liable to the Association for a pro rata share of the cost of all such insurance. The Board may assess the owner of each Lot annually to provide sufficient funds to complete any necessary reconstruction and repair; and each owner of a Lot is hereby made liable to the Association for any such Assessment. Any Lot Owner who damages any commonly used improvements in the Subdivision may be charged for the repair of same even though the Association shall have the right to contract for the repair and be reimbursed by insurance.

A. The Board or its duly authorized agents shall have the authority to and shall obtain and continue in effect a public liability policy covering all the Common Areas and all damage or injury caused by the negligence of the Owners (and Tenants, invitees, licensees, and household members), the Association, its directors and officers, or any of its agents. Such public liability policy shall provide such coverages as are determined to be necessary by the Board.

B. The Board or its duly authorized agents shall have the authority and shall obtain (i) workers' compensation insurance to the extent necessary to comply with any applicable laws and (ii) such other types and amounts of insurance as may be determined by the Board to be necessary or desirable.

C. The Association shall as a Common Expense maintain adequate general liability and officers' and directors' liability insurance to fund the obligations described in Article V hereof.

D. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association and costs of all such coverage shall be a Common Expense. Exclusive authority to adjust losses under policies obtained by the Association and hereafter in force with respect to the Property shall be vested in the Board of Directors, provided, however, that no Mortgagee or other security holder of the Common Areas having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

Section 13. Duties and Powers. The duties and powers of the Association shall be those set forth in the provisions of the laws of Florida relating to Homeowners' Associations and non-profit corporations, this Declaration, the Bylaws and the Articles of Incorporation, together with those reasonably implied to effect the purposes of the Association, provided, however, that if there are irreconcilable and unenforceable conflicts or inconsistencies between the laws of Florida, this Declaration, the Bylaws or the Articles of Incorporation, the provisions of the laws of Florida, this Declaration, the Articles of Incorporation and the Bylaws, in that order, shall prevail, all as amended from time to time, and each Owner of a Lot or Unit by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, together with 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 14. Agreements. All agreements and determinations lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, legal representatives, successors, and assigns, and all others having an interest in the Property or the privilege of possession and enjoyment of any part of the Property, and in performing its responsibilities hereunder the Association through its Board of Directors, shall have the authority to delegate to persons of its choice such duties of the Association as may be determined by the Board of Directors. In furtherance of the foregoing, and not in limitation thereof, the Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary or desirable for the proper operation of the Property whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. All costs and expenses incident to the employment of a manager and any other employees shall be Common Expenses. During the term of any management agreement, the manager may, if authorized by the Board of Directors, exercise all of the powers and shall be responsible for the performance of all the duties of the Association, excepting any of those powers or duties specifically and exclusively reserved to the directors or officers of the Association by this Declaration or the Bylaws. In addition, the Association may pay for, and the Board of Directors may hire and contract for, such legal and accounting and other professional or consulting services as are necessary or desirable in connection with the operation of the Property or the enforcement of this Declaration, the Bylaws, or the Rules and Regulations of the Association.

ARTICLE VI USE RESTRICTIONS AND OWNER OBLIGATIONS

Section 1. General Restrictions.

A. No use shall be made of the property which would constitute or create an eyesore, in the opinion of the Board of Directors.

B. No townhouse unit shall be used for any unlawful purpose, and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be strictly observed.

Section 2. Residential Use. Each Unit is restricted to residential use as a residence by the Owner or permitted occupant thereof, its immediate family, guests, tenants, and invitees. No building other than single family unit as part of four units, shall be erected, constructed, or maintained, nor shall any building constructed or erected on said property, be used for any purpose other than a private dwelling townhouse.

No trade, business, professional, or any other type of commercial activity shall be carried on upon any Lot or Unit, except as authorized by the Board of Directors.

Section 3. Additional Rules and Regulations. The Board of Directors may from time to time adopt, in addition hereto, additional Rules and Regulations governing the Association, which Rules and Regulations shall be incorporated herein by this reference, and which may be modified, in whole or in part, at any time by the Board of Directors without the necessity of recording an amendment hereto or thereto in the public records. The Board of Directors shall provide the Members with ten (10) days' notice of any additions or modifications to the Rules and Regulations.

Section 4. Antennas and Satellite Dishes. Except as expressly permitted by law, no television antenna, radio receiver, satellite dish, or other similar device shall be attached to or installed on any portion of the Property, unless contained entirely within the interior of a Unit or other structure or if outside, on the balcony or fences and never attached to the mansard, without the approval of the Board, nor shall radio or television signals, nor any other form of electromagnetic radiation, be permitted to originate from any Lot or Unit which may unreasonably interfere with the reception of television or radio signals within the Property, provided, however, that the Association shall not be prohibited from installing equipment necessary for antenna, security, cable television, mobile radio, or other similar systems within the Property. Owners shall adhere to the Satellite Dish rules as developed by the Association. The Board shall have the authority to promulgate reasonable rules and regulations regarding satellite dishes from time to time.

Section 5. Barbeques and Grills. Barbeques and grills may be used on courtyards only.

Section 6. Boat Docks and Use of Water Bodies. No docks, bulkheads, moorings, pilings, boathouses, or boat shelters of any kind may be erected on any part of the Property, including, without limitation, any lakes and waterways within the Property, except for those constructed by the Association. The lakes and canals within the Property shall not be used for any recreational activities, including without limitation for boating, swimming, playing, or the use of personal flotation devices. Fishing shall be allowed in lakes and canals in the Property, but Owners, household members, guests, and invitees are subject to the Lake Rules, as incorporated herein and promulgated by the Board from time to time. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the unauthorized use of the lakes or canals within the Property.

Section 7. Commercial Activities. Commercial activities must be approved by the Board of Directors and any commercial activities (any business conducted from your home) must be properly licensed and must meet the strict criteria as governed by the Palm Beach Gardens Zoning Guidelines. No traffic, or outside display or storage, may occur on any Lot or Dwelling Unit, and the commercial activity must be clearly secondary to the use of the property as a residence. Any commercial activities conducted within a Dwelling Unit must first submit for and receive Board approval.

Section 8. Common Walls. The common walls shared by Owners and located in the vicinity of the Lot boundary line shall be Party Walls for the perpetual benefit of and use by the Lot Owner, including the heirs, assigns, successors, and grantees, of each such Unit. In the event of damage or destruction of the Party Walls from any cause whatsoever, other than the negligence or willful misconduct of a Lot Owner, the Lot Owners using the Party Wall shall, at their joint expense, repair, and rebuild said wall(s) and each Lot Owner shall have the right to full use as herein contained of said wall(s) repaired or rebuilt. In the event it shall become necessary or desirable to perform maintenance upon the whole or any part of the Party Walls, such expense shall be shared equally by the Lot Owners of the adjoining Units or their successors in title.

Whenever any such wall or any part thereof shall be rebuilt, it shall be erected in the same manner and at the same location where it was initially constructed, and shall be of the same size and of the same or similar materials and of equal quality, provided that if such maintenance, repair or construction is brought about solely by the neglect or the willful misconduct of one (1) Lot Owner, the expense incidental thereto shall be borne solely by such wrongdoer. If a Lot Owner shall refuse to pay his share (part or all of such cost in the case of negligence or willful misconduct), any other Lot Owner of the Association may have such wall repaired or reconstructed and shall be entitled to a lien on the Lot for the non-paying Lot Owner's share of the repair or replacement.

If a Lot Owner shall cease to use the wall as a Party Wall, he shall be deemed to have abandoned all rights thereto, and the wall shall become the property of the adjacent Lot Owner who shall have an easement upon the land under the wall so long as the wall shall be used by him. Any Lot Owner removing his improvements from the Party Wall or making use of the Party Wall shall do so in such manner as to preserve all right of the adjacent Lot Owner in the wall, and shall save the adjacent Lot Owner harmless from all damage caused thereby to improvements then existing. In the event repairs or reconstruction shall be necessary, all necessary entries on the adjacent Lot shall not be deemed a trespass so long as the repairs and reconstruction shall be done in a workmanlike manner, and consent is hereby given to enter on the adjacent Lot and Unit to affect necessary repairs and reconstruction.

The Owner of any Lot sharing a Party Wall with the adjoining Lot Owner shall not possess the right to cut windows or other openings in the Party Wall, nor make any alterations, additions, or structural changes in the Party Wall.

The Owner of any Lot shall have the right to full use of said Party Wall for whatever purposes he chooses to employ subject to the limitation that such use shall not infringe on the rights of the Owner of an adjoining townhouse Unit or his enjoyment of said walls or in any manner impair the value of said walls.

The common wall that is constructed on a Lot is to be and remain a Party Wall for the perpetual use and benefit of the respective Owners thereof, their heirs, assigns, successors, and grantees, said lots being conveyed subject to this condition, and this condition shall be construed to be a covenant running with the land.

Section 9. Curfew. No Owner, member of the Owner's family, invitee, lessee, or guest, regardless of age, shall be permitted in the recreational areas of Garden Lakes after 11:00 P.M. Such areas include, but are not limited to, the playground tennis courts, handball courts, basketball courts, meeting rooms, storage facility, and parking areas adjacent hereto. The recreational areas shall re-open at 7:00 A.M. on the following day.

Section 10. Decorations. No decorative Structures including, but not limited to, birdbaths, light fixtures, sculptures, statues, weather vanes, or flagpoles shall be installed or placed within or upon any portion of a Property or Lot visible from the street without the prior written approval of the Board.

Section 11. Dredging/Filling. No Lot shall be increased in size beyond its dimensions as shown on the Plat by filling in any water or canal to which it may abut.

A. No refuse or unsightly objects shall be allowed to be placed or suffered to remain upon any Lot or Property.

B. No solid or liquid waste, litter, or other materials may be discharged into/onto or thrown into/onto any Common Area or other water body or the banks thereof.

Section 12. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat and hereunder. Within those easements, no Structure, planting, or other material shall be placed or permitted to remain that may damage or interfere with the installation and maintenance of utilities, change the direction of flow and drainage channels in the easements, or obstruct or retard the flow of water through drainage channels in the easements.

Section 13. Exterior Appearance. All fences shall be subject to the standards published by the Board and shall be approved by the Board prior to installation. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades, or other purpose, nor shall any window-mounted heating or air-conditioning units be permitted without the approval of the Board except as expressly permitted by law. Outside clotheslines or other outside facilities for drying or hanging clothes are specifically prohibited and shall not be erected, placed, or maintained; nor shall any clothing, rugs or other items be hung on any railing, fence, hedge, or wall, except behind the fence on the courtyard. No projections of any type shall be placed or permitted to remain above the roof of any improvement.

Section 14. Exterior Lighting and Security Cameras. No spotlights, floodlights, or similar type of high intensity lighting shall be placed or utilized upon any Lot which in any way will allow light to be reflected on any other Lot or the improvements thereon or upon any common areas. All exterior lighting and security cameras must be approved by the ARC prior to installation. No security cameras may be pointed towards any other Unit and may not infringe on the privacy of any other Unit Owner or Resident.

Section 15. Failure of Owner to Discharge Obligations. In the event that the Board of Directors determines that (i) any Owner has failed or refuses to discharge properly his or its obligations with regard to the maintenance, cleaning, repair, or replacement of items for which he is responsible hereunder, or (ii) that the need for maintenance, cleaning, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Occupant, or his or her family, tenants, guests or invitees, then, in either event, the Association, except in the event of an emergency situation, shall give such Owner or Occupant written notice of the Association's intent to provide such necessary maintenance, cleaning, repair, or replacement, at the sole cost and expense of such Owner or Occupant, as the case may be, and setting forth with reasonable particularity the maintenance, cleaning, repairs, or replacement deemed necessary. Except in the event of emergency situations or as otherwise detailed herein, such Owner or Occupant, as the case may be, shall have fifteen (15) days within which to complete the same in a good and workmanlike manner, or in the event that such maintenance, cleaning, repair, or replacement is not capable of completion within said fifteen (15) day period, to commence said maintenance, cleaning, repair, or replacement and to diligently proceed to complete the same in a good and workmanlike manner. In the event of an emergency situation, or the failure of any Owner or Occupant to comply with the provisions hereof after notice, the Association may provide (but shall not have the obligation to so provide) any such maintenance, repair, or replacement at the sole cost and expense of such Owner or Occupant, as the case may be, and, (i) in the case of an Owner or Occupant, said cost shall be added to and become a part of the Assessment to which such Owner and his or her Lot or Unit are subject and shall become a lien against such Owners' Lots or Units. In the event the Association provides any of the foregoing maintenance, repair, or replacement, the Association shall not be obligated to procure bids for such maintenance, repair, or replacement and the Association, at its sole discretion, shall designate a contractor to perform such work.

Section 16. Fences. Fences are constructed on the Lots and the Owners are responsible for maintenance, repairs, and replacement of the structures.

Section 17. Firearms. The discharge of firearms, including, without limitation, BB guns, pellet guns and other firearms of all types and sizes, is prohibited within the Property. Notwithstanding anything to the contrary contained herein, the Association shall not be obligated to take action to enforce this Section.

Section 18. Flags. Except as may be expressly authorized by federal or state statutes or local ordinances, no signs, flags, banners, or advertising posters of any kind shall be permitted within any

windows, on the exterior of any improvements located within the Property, or elsewhere on any portion of the Property, without the express written permission of the Board. The Board may establish reasonable standards and restrictions regarding the display of the permitted flags which must be in good repair. Notwithstanding the foregoing, the American flag (the flag and pole height not to exceed twelve feet (12') may be displayed from a Unit without Board approval.

Section 19. Hazardous Materials. No substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous or toxic substance, inflammable, combustible or explosive fluid or other similar term, including, without limitation, asbestos containing materials and petroleum products, by any federal, state, or local environmental health, safety, or similar laws, statutes, rules, regulations, or ordinances presently in effect or which may be promulgated in the future, shall be used or stored at the Property, in the Common Areas or on the Lots, except in de minimus quantities used in the ordinary course of owning and maintaining the property, and in strict compliance with all applicable laws.

Section 20. Holiday Lights and Other Lighting. Except for seasonal holiday lights, all exterior lighting shall be subject to the authority of the Board to require the Owner to remove same, if not aesthetically appealing as determined by the Board. Seasonal holiday lights must be removed thirty (30) days from the date of the given holiday. The Board may establish additional standards for holiday lights in the rules and regulations. The Board may require the removal of any lighting that creates a nuisance, as determined by the Board.

Section 21. Hurricane Shutters. Any hurricane or other storm protective devices visible from outside a Property ("Hurricane Shutters") shall be of a type as approved by the Board and must be submitted by form for approval by the Board. The Owner shall be liable for the installation, maintenance, operation, and damage which may be caused by the permanent storm shutters.

Section 22. Insurance. Each homeowner shall insure their unit in accordance with the Townhouse Building Description, including, but not limited to, any interior walls, doors, and sliding doors, Windows, Pipes, Electrical Wiring, and other portions of the Unit not specifically covered above, including contents placed in the dwelling structure after the closing, as well as any additions made in or to the dwelling structure by the Owner as each Owner may desire. The Association shall also purchase such insurance as may be necessary on the common property to protect the Association and the homeowners. Such insurance will be handled in the same method as set forth above. In the event of any casualty loss, the Homeowners' Association shall be the agent of all owners and shall adjust such loss on their behalf.

It shall be the individual responsibility of each Owner, at his or her own expense, to provide public liability, property damage, title, and other insurance with respect to his or her own improvements and furnishings, and the same shall be required of each Unit.

Section 23. Leasing. Lease or rental of a Unit for residential purposes shall be permitted for any Owner who has owned the property for more than six months or is currently an Owner of another Garden Lakes Unit, other than the Association, who shall be permitted to lease or rent an Association-acquired property immediately. Such leasing by an Owner shall also not be considered to be a violation of this covenant so long as the lease (i) is for not less than the entire Lot and all the Improvements thereon, (ii) is not to more than four unrelated people; (iii) is not for a period of less than six (6) months, (iv) complies with all governmental laws, rules, ordinances, and regulations, (v) is in writing in a form which has been approved by the Association and (vi) is otherwise in compliance with the Rules and Regulations as may be promulgated and published from time to time by the Board of Directors.

The Board of Directors or their agent(s) shall approve all prospective tenants of Lots within the Association, at their reasonable discretion. The Board of Directors shall have the right to promulgate rules, including applicant and tenant screening standards, from time to time and at their discretion.

The Board of Directors or their agent(s) may obtain a criminal background check and credit check and may require tenants to submit to screening standards and/or an interview with the Board. The Board may, at their discretion, disapprove of tenants and applicants. The Board may exercise a right of first refusal.

All prospective tenants and/or purchasers of Lots within the Association shall receive a copy of the Association's Declaration of Covenants, Conditions, and Restrictions, and the Rules and Regulations (the "Association Documents") and shall execute a statement confirming receipt of the Association Documents and thereby agreeing to abide by the same.

Prior to the commencement of any such lease, the Owner shall provide the Association with a copy of such lease. Any lessee or tenant shall in all respects be subject to the terms and conditions of this Declaration and the Rules and Regulations adopted hereunder. All unapproved residents, guests, and household members will be treated as "tenants" and shall be subject to removal by the Association as detailed in this Section 23. In the event that any tenant(s) of any Unit is in violation of any provision contained in the Association's governing documents, or any laws or ordinances, the Association shall have the right to evict the tenant(s) as if the Association were the landlord under such lease and levy an Individual Assessment against the Owner and Unit for the cost. In the event that the Association initiates enforcement proceedings, including legal Notices to a tenant, the Owner of the Unit that is the subject of the eviction proceedings shall be liable to the Association for all attorney's fees and costs related to such eviction proceedings, and any unpaid attorney's fees and costs shall be levied against the Owner and Unit as an Individual Assessment and shall be a lien upon the Owner's Unit. No subleasing shall be permitted in any Unit.

Section 24. Mining and Excavation. No oil, gas, mineral, or other type of mining, excavating, drilling, refining, quarrying, or other similar activities of any kind shall be conducted on the Property. The terms of this Section shall not apply to the Association.

Section 25. No Subdivision. Except as otherwise stated herein, no Lot shall be subdivided.

Section 26. Noise. No resident or contractor at any time shall make or permit any disturbing noises in or about the Units or permit any conduct by his family, guests, employees, or others which will interfere with the rights, comforts, or conveniences of other Occupants. In addition, no Occupant shall play or permit to be operated, a musical instrument, television, radio, sound system, or other equipment in such a manner or at such a volume as to exceed the limit established by City ordinance, and disturb or annoy other Occupants. Between the hours of 10:00 pm and 8:00 am Monday through Saturday, and 10:00 pm and noon on Sunday, no one shall operate, play or cause to be operated or played, on the Property any radio, television, stereo system, sound amplifier of any kind, appliance, lawnmower, machine, musical instrument, equipment, or motor of any kind which makes any music, noise or vibration, in such a manner as to be an annoyance or nuisance to other Occupants.

Section 27. Nuisances. No rubbish or debris of any kind shall be dumped, placed, or permitted to accumulate upon any portion of the Property, nor shall any noxious, foul, or offensive odor be permitted to exist or emanate from any Lot or Unit, so as to render any portion thereof unsanitary, unsightly, offensive, or detrimental to Owners or Occupants of any other Lot or Unit. No offensive activity shall be

carried out upon any Lot or within any Unit or in any part of the Common Areas, and each Owner, his or her family, tenants, guests, invitees, and employees shall refrain from any act or use of a Lot, Unit, or of the Common Areas which could cause disorderly, unsightly, or unkempt conditions, or which could cause embarrassment, discomfort, annoyance, or nuisance to the Occupants of other portions of the Property, or which could result in a cancellation of any insurance for any portion of the Property, or which would be a violation of any law or governmental code or regulation. Without limiting the generality of the foregoing provisions, no exterior speakers, horns, whistles, bells, or other sound devices, except security and fire alarm devices used exclusively for such purposes, shall be located, used, or placed within the Property without the written approval of the Board, which may establish restrictions on the time, place, and manner of such use. Any Owner or Occupant, or his or her family, tenants, guests, invitees, servants, or agents who dumps or places any trash or debris upon any portion of the Property shall be liable to the Association for the actual costs of removal thereof or the sum of \$150.00, whichever is greater, and such sum shall be added to and become a part of that portion of any Assessment next becoming due to which such Owner and his or her Lot or Unit are subject and shall be subject to a lien.

Section 28. Pets. The Board shall have the right to make rules relating to pets from time to time.

All pets and animals shall be restricted to those animals generally considered as household pets, such as dogs, cats or pet birds, as permitted by Palm Beach County Ordinances up to a limit of two (2) such pets per household and otherwise as set forth in the rules and regulations determined from time to time by the Board, and must be contained upon the premises of respective Owners. No animals shall be kept for commercial use or purposes. Cats must be kept indoors when not on a harness or leash. Pets may not harass wildlife. No Owner or Occupant shall permit a pet to make an unreasonable amount of noise or to become a nuisance to others. No structure shall be constructed or maintained for the care, housing, or confinement of any pet. No pet owner shall allow pet excrement to be left on any portion of the Property. The owner of a pet shall immediately remove the same. Occupants will not allow any organic matter from an Occupant's aquarium to enter any water body. This prohibition includes both plant and animal matter. Obnoxious animals and all livestock and poultry such as cows, roosters, guinea hens, swine, snakes, iguanas, goats, ducks, geese, chickens, or other fowl, etc. are specifically prohibited. Notwithstanding the above provisions, no pets or animals which constitute a nuisance to surrounding Owners shall be kept upon the Property. No stable, livery stable, or riding academy shall be erected, constructed, carried on, kept, permitted, or maintained, nor shall any horses, ponies, donkeys, or burros, be kept upon any part of any Lot. All dogs shall be walked on a leash. No dog shall be permitted outside a Family Dwelling Unit unless such dog is kept on a leash. No pet or animal shall be "tied out" on the exterior of a Dwelling Unit or in the Common Areas, or left unattended in a yard. Each Owner shall be responsible for the activities of its pet. All Owners shall abide by any and all promulgated Rules and Regulations pertaining to Pets as determined by the Board from time to time. Any victim of a dog bite from an Owner's dog shall have the remedies as set forth under Florida Statute 767.12, as may be amended from time to time. In the event a victim is pursuing their remedies pursuant to the above-referenced statute, the Board shall have the right to require removal of the dog from the Association. When notice of removal of any pet is given by the Board, the pet shall be removed within forty-eight (48) hours of the giving of the notice. In the event a dog has been left unattended outside a fenced enclosure as described hereunder, the Owner shall be required to abide by the definition of a proper enclosure of a dangerous dog as defined under Florida Statute 767.11 as may be amended from time to time.

Section 29. Sale of Dwelling Unit. Owners seeking to sell their Unit must notify the Association in writing of their intention to sell and furnish the Association with notification a copy of the contract for sale.

The Board of Directors or their agent(s) shall approve all prospective purchasers of Lots within the Association, at its reasonable discretion. The Board of Directors shall have the right to promulgate rules, including applicant and applicant screening standards, from time to time and at their discretion.

The Board of Directors or their agent(s) may obtain a criminal background check and credit check and may require purchasers to submit to screening standards and/or an interview with the Board. The Board may, at their discretion, disapprove of applicants. The Board may exercise a right of first refusal.

No sale shall be deemed approved and no deed shall be valid without a Certificate of Approval attached to the deed and signed by a member of the Board. Each Dwelling Unit shall be used as a single family residence. As used herein, "single family" or words of similar import shall be deemed to include up to two (2) persons who are not related by blood, marriage or adoption living together as a single housekeeping unit, or an individual and his or her spouse, children, siblings, parents or grandchildren. No Owner shall sell or convey its interest in a Dwelling Unit unless all sums due the Association have been paid in full and an estoppel certificate shall have been received by such Owner. Within fifteen (15) days of a written request thereof, the Board of Directors shall furnish to an Owner an estoppel certificate in writing setting forth whether the Assessments have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated. The Owner requesting the estoppel certificate shall be required to pay the Association a reasonable sum to cover the costs of examining the records and preparing such estoppel certificate as determined by the Board or as charged by the Property Management Company or Attorney.

Section 30. Screen Enclosures. Owners may alter their courtyards to include screen enclosures subject to the policies of the Specifications for Screen Enclosures promulgated by the Board, as amended from time to time, and incorporated herein. Owners must follow the Procedure for Screen Enclosure Approval, as additionally incorporated herein. Screen enclosures and improvements that are visible from beyond the courtyard must be approved by the Board.

Section 31. Septic Tanks. No septic tanks, cesspools, or similar sewage facilities or oil tanks shall be or may be installed on the Property. No bottle gas tanks or soft water tanks may be installed or maintained on any Lot or Unit.

Section 32. Sheds and other Structures. No sheds or similar objects, whether constructed or pre-fabricated shall be erected on any Lot beyond the Courtyard. No Structure of a temporary character, including trailer, tent, or shack, shall be used on any Association Property or Lot at any time, either temporarily or permanently.

Section 33. Signs. No signs, banners, flyers, brochures, advertisements, or notices of any kind shall be displayed on or in any Unit or Lot, except as approved by the Board and except that up to one (1) "open house" sign may be displayed on the day of the open house. The Board of Directors, on behalf of the Association, shall have the right to erect reasonable and appropriate signs on any portion of the Common Areas and within those easement areas established by this Declaration.

Section 34. Solar Panels and Energy Conservation Equipment. Except as expressly permitted by law, the Board must approve all solar panels and energy conservation equipment prior to installation of such equipment on a Unit. All such equipment must conform to the standards set forth in the HUD Intermediate Minimum Property Standards Supplement, Solar Heating, and Domestic Water Systems and conform to State law and local ordinances. No solar energy collector panels or attendant hardware or other

energy conservation equipment shall be constructed or installed unless it is an integral and harmonious part of the Board architectural design of a structure, as reasonably determined by the Board. No solar panel, vents, or other roof-mounted, mechanical equipment shall project more than 10 feet above the surface of the roof of a Unit, and all such equipment, other than solar panels, shall be painted consistent with the color scheme of the portions of the Unit to which such equipment is installed. This provision is not intended to prohibit or unlawfully restrict the use of solar energy devices.

Section 35. Solicitation. No commercial solicitations of any kind shall be permitted on any portion of the Property. No door-to-door sales or solicitations, including fundraisers, shall be conducted on the Property without prior approval from the Association. Advertising, brochures, and flyers for commercial solicitations may not be hand delivered, including to mailboxes, but they may be mailed to residents. Violators shall be reported to the Association Property Manager.

Section 36. Storage. No temporary or permanent utility or storage shed, storage building pod, tent, or other structure or improvement shall be permitted beyond the courtyard and no other structure or improvement shall be placed, constructed, erected, altered, modified, or maintained without the prior approval of the Board, which approval shall conform to the requirements of this Declaration and/or the Rules and Regulations.

Section 37. Traffic Regulations. Only drivers licensed to operate motor vehicles by the State of Florida or by any other state in the United States may operate any type of motor vehicle on any street or elsewhere within the Common Areas. All vehicles of any kind and nature which are operated on the streets in the Property shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Occupants of the Property. Except as needed for construction and maintenance, no motorized vehicle may be operated off of paved roads or streets.

Section 38. Trash. Each Owner shall keep his Lot free and clear of trash and debris and shall reasonably maintain his Lot. Trash and debris shall be handled and maintained in accordance with the Schedule for Garbage, Trash, and Recyclables promulgated by the Board of Directors and incorporated herein, as may be amended by the Board from time to time.

No Lot shall be used or maintained as a dumping ground for rubbish, and all Owners shall confine their yard trash to their own Property. All garbage will be placed within a trash bag and placed in a trash container with a secure lid indicating the Unit number. Plastic bags are not permitted outside of a trash container. Residents must use a plastic or metal trash container. All trash/recycling containers shall be kept from view except on pick up day. At all other times trash/recycling containers must be stored out of view from adjoining properties and common areas. The trash containers shall not be placed by the streets earlier than 6:00 pm on the evening preceding the morning upon which garbage and refuse are customarily collected, and must be placed in accordance with the Schedule for Garbage, Trash and Recyclables. All trash/recycling containers shall be removed on the same day that the collection is made. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No garbage incinerators shall be permitted.

Section 39. Unit Owner Maintenance. Except for all peril insurance carried by the Association and detailed in Article V, Section 12, Owners are responsible for the maintenance and repair of the entirety of their units, including roofs, mansards (the shingles along the plywood underneath on the exterior of each unit) and air conditioning enclosures, courtyard fences and flooring, structural walls and ceilings, electrical and plumbing which service only a particular unit, balconies, front door, and sliding doors. The Unit Owner shall also be responsible for:

- A. repairs beneath or within the exterior surfaces of buildings;
- B. repair of air conditioning systems (external or internal components) or other mechanical equipment in the Units, and the Owner shall be responsible for any repairs which could be made pursuant to the terms of any warranty covering the residence;
- C. maintenance of that portion of the Unit's water, sewer, and electrical systems which are utilized only by said Owner and located between a Unit and the point of connection to the commonly used laterals (including individual meters, if any);
- D. maintenance, repair and replacement of all improvements and landscaping on his or her Unit courtyard, and such other areas as are provided herein. Such Lot and other areas shall be maintained in a first-class condition;
- E. maintenance of any area or matter not specifically required to be maintained, repaired, or replaced by the Association.
- F. maintenance, repair, and replacement of any portion of the structure of each Unit due to issues from electric or plumbing as determined by the Board of Directors.

Each unit Owner agrees not to make or cause to be made any structural addition, alteration repair, decoration, replacement or change (except that permitted herein) to, in, or about the exterior portions of the units, including exterior walls, roof, trellises, and fencing in and around the courtyard without the express written consent of the Board of Directors of the Association, and in accordance with the Architectural Review Board, the intention herein being to insure that the townhouse Units at Garden Lakes are uniform in appearance. Such exterior portions of the Units are to be maintained by each homeowner in quality condition at all times. Any repairs made by Owners which cause damage to any portion of the Units or Common Areas to which the Association is required to maintain must be repaired by said Owner or the repair and/or replacement will be charged to said Unit Owner as an Individual Assessment.

Failure to abide by the provisions of the Paragraph shall result in a thirty (30) day notice to the owner from the Association setting forth the items to be corrected or removed. In the event the notice is not adhered to, the Association may either seek an injunction in or cause compliance and/or may contract to have necessary work performed to cause compliance, whereupon the homeowner will be charged for the invoices delivered by such contractors. Such invoices shall be counted as an Individual Assessment against the Owner and the Lot, and the Association shall be entitled to place a lien and foreclose the lien against the unit. The Association shall also have the right to recover reasonable costs and attorney's fees incurred in notices and litigation.

Section 40. Unit Owner Scheduled Maintenance, Failure to Maintain. Normal maintenance of the roof of the townhouse Units such as cleaning, re-coating or repainting shall be done uniformly and at the same time for the entire roof of the building upon agreement of the homeowners. The expense of such maintenance shall be borne equally by the homeowners. In the event of damage or destruction which is confined to the roof area wholly within the dimensions of one townhouse unit, the repair or replacement shall be at the expense of the said townhouse Unit owner. If the damage or destruction of adjacent roof areas is caused by the negligence or willful misconduct of any one homeowner, such negligent Owner shall bear the entire cost of repair or replacement. If any homeowner shall neglect or refuse to pay his

share, or all of such cost in case of negligence or willful misconduct, any other affected homeowner may have such roof repaired or replaced and shall be entitled to a lien on the townhouse of the other homeowner so failing to pay for the amount of such defaulting Owner's share of the repair or replacement cost. If a homeowner shall give, or shall have given a mortgage or mortgages upon his property, then the mortgagee shall have the full right at his option to exercise the rights of his mortgagor as an Owner hereunder and, in addition to the right to add to the outstanding balance of such mortgage any amounts paid by the mortgagee for repairs hereunder and not reimbursed to said mortgagee by the homeowners. The Association shall have the right to file a lien for non-payment of such charges in which event the homeowner shall be responsible for attorney's fees and costs.

In addition to any rights or remedies provided elsewhere, if any owner fails to maintain his roof as required in this Declaration, Articles of Incorporation and Association Bylaws, the Board of Directors shall after providing 30 days' notice, have the right to levy a Special Assessment against the particular owner(s) prior to the Association expending any funds for the necessary roof maintenance, repair, or replacement. In the event the owner does not pay the Special Assessment on or before the due date as set by the Board of Directors, same shall be collectible in the same manner as an Assessment, as set forth in this Declaration.

Section 41. Vehicles and Parking. Rules regarding vehicles are in accordance with the Welcome Meeting Rules as promulgated by the Board, and incorporated herein, and which may be amended from time to time by the Board. The Board shall have the authority to promulgate parking, traffic, and vehicle rules and restrictions. Each Unit Owner(s) and/or Resident(s) vehicles should be parked in the specific space(s) assigned to each Unit. Assigned parking spaces may only be utilized by the Owner(s) and/or Resident(s) of the Unit to which they are assigned unless express written authorization is provided by the Unit Owner of those spaces being utilized as well as by the Board of Directors. Owners may utilize guest spots as needed although rules regarding guest parking may be promulgated from time to time by the Board as deemed necessary. All guest vehicles must display a guest decal when remaining on the Association property overnight. Guests remaining more than three days must obtain permission by contacting the Property Manager to continue to utilize Association guest parking.

Owners and occupants of Lots will not be permitted to park, store or keep any recreational vehicles including, but not limited to, boat, jet ski, pickup truck, trailer, recreational vehicle, mobile home, bus, horse trailers, tractors, drones, monster trucks or any other trucks having three or more axles, airboats, swamp buggies, or other vehicles on their Lots. Further, Owners and occupants of Lots may not park, store, or keep such vehicles on adjacent roads and streets. Commercial vehicles, containing any lettering or advertising on such vehicles are not permitted, except they may be parked briefly for delivery and service purposes only. Pick-up trucks are not permitted.

No motorized boats or other watercraft of any type of nature shall be permitted upon any lake, canal, or waterway in the Association except those used in performing maintenance upon a lake, canal, or waterway, or their banks or shore, except as may be permitted by the Association.

Motorcycles, bicycles and mopeds are permitted but they may only be parked or stored inside an Owner or Occupant's Courtyard.

Commercial vehicles shall include those vehicles as defined in section 320.01(15) (a), Florida Statutes (2007) as "for-hire" vehicles and/or decorated with commercial lettering or advertising. Trucks shall include those vehicles as defined in section 320.01(9), Florida Statutes (2007) except there shall be excluded therefrom SUVs and vans, Avalanches or vehicles similar thereto at the discretion of the

Association, which are for private use as defined in Section 320.01(14), Florida Statutes (2007) with a payload of one ton or less which are private use as defined in Section 320.01(14) Florida Statutes (2007). Recreational vehicles shall include those vehicles as defined in section 320.01(1) (b), Florida Statutes (2007). Notwithstanding defined in section 320.01(3), Florida Statutes (2007); trailers shall include those vehicles as defined in section 320.01(4), Florida Statutes (2007) and mobile homes shall include those vehicles as defined in Section 320.01(3) Florida Statutes (2007). No unlicensed driver shall operate any all-terrain or other off road vehicle, go-cart, or golf cart upon Association streets and common areas.

Vehicles shall be parked only in designated spaces for the Units or in the appropriate guest spaces or designated areas in which parking may be assigned, and then subject to the reasonable Rules and Regulations adopted by the Association. In the event any vehicle is improperly parked in the Association in violation of this Section or the Rules and Regulations, the Association (or at the Association's direction a towing company) may enter the Lot or the Common Areas and remove the vehicle and assess all costs incurred by the Association for such removal against the Unit and the Owner responsible for the parking of the vehicle on the Association, and such Assessment shall become a lien on the Lot. The Association and its officers, directors, agents, and employees, shall not be liable to the vehicle's owner or any other person or entity or any property Owner for trespass, conversion, property damage, other damage, or cost or expense, nor guilty of any criminal act, by reason of such towing. Once the notice is posted on the vehicle or personally served to the Owner of the property upon which the vehicle is parked, neither its removal, nor failure of the Owner to receive such notice for any other reason, shall be grounds for relief of any kind against the Association. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting. For the purposes of this paragraph, a "vehicle" shall also mean vans, campers, recreational vehicles, mobile homes, commercial vehicles, and trailers.

All Owners, household members, tenants, guests, and invitees shall be required to display an Association decal or placard on a vehicle parked in accordance with the Permit Sticker Policy as promulgated by the Board from time to time and incorporated by reference herein. The Board has the authority to charge a fee at the time the decal or placard is furnished to an owner, tenant, guest, or other applicant. The Decal or placard will have an expiration date and will require renewal whereupon new decals or placards will be provided. Such decals or placards will be distributed by Garden Lakes authorized personnel, upon the individual completing the required forms, furnishing proper identification with proof of residency and registration of the vehicle. Vehicles which do not comply with this requirement are subject to being towed with proper notice, and Owners may be subject to fines and all other lawful remedies available to the Association.

Section 42. Vehicles (Unsightly). Owners and occupants of Lots shall not park, store, or leave or permit parking or storing of any vehicle, which is in rusted, wrecked, junked, partially dismantled, inoperative, or abandoned condition, whether attended or not, and approved or not, upon their Lot or adjacent Lots or adjacent roads or streets. Such vehicles shall be subject to fines and/or towing as permitted by Section 41 herein.

Section 43. Vehicle Repairs. No vehicle which cannot operate on its own power, or with an expired tag, shall remain on a Unit or Lot for more than twenty-four (24) hours. No repair, except emergency repair of vehicles such as tires and battery changes, shall be made on the Property.

Section 44. Water Supply. No wells or individual water supply systems shall be permitted on any Lot.

Section 45. Wildlife. Occupants may not tame, acquire, keep, or confine any form of wildlife. Young or injured wild animals found or acquired cannot be kept or reared, and must be surrendered to a professional rehabilitative care center. Garden ponds and birdbaths will be maintained in good order to prevent the proliferation of noxious Insects (such as mosquitoes), toxic blue-green algae, bacterial pathogens, or wildlife that could present a problem for people if present in such numbers or places where conflict would occur. Wild animals will not be purposefully injured or killed by Occupants. However, lethal control of commensal rodents may be conducted by Occupants or registered pesticide applicators, but must be done in strict accordance to Association guidelines and state laws. Owners may provide the following habitats for Wildlife on their courtyard: native vegetation, bird feeders, nesting boxes, shelter boxes, garden ponds, and bird baths. Except as specifically provided by the prior sentence, feeding wildlife is prohibited. Wildlife may not be indirectly fed by leaving food out for companion animals. Feeders and human-supplied water sources, including birdbaths, will be kept clean so that disease is not transmitted. Feeders should be protected from raiding by mammals such as raccoons. Resolutions to conflict between humans and wild animals will first be attempted using non-lethal means, except under extreme and immediate circumstances where human safety or the safety of a companion animal is imminently threatened. Wildlife control, including nonlethal actions, will not be conducted simply because an Occupant considers the mere presence of a wild animal to be a "pest" or "nuisance." The approach to wildlife conflict resolution will follow a series of steps, including (a) the conflict is identified, (b) the species causing it is determined and, if possible, the individual animal IS identified, (c) methods to resolve the conflict ranging from least to most invasive and injurious are identified, and (d) an action plan that ensures the least injurious and invasive approach suitable is evaluated and undertaken before other measures are considered. Occupants shall attempt to resolve human-wildlife conflicts by changing human practices (such as trash management and securing stored food), modifying habitats (changing plantings or managing landscapes), and/or structural modifications (fencing or other methods to exclude animals). Nests of native or migratory birds will not be taken, moved or interfered with in any manner as stipulated under applicable state and federal law. No wild animal den or nest of unprotected bird species may be disturbed, moved, or altered except as part of a planned conflict abatement program, or under compelling circumstances of human health, safety, or security needs. Young will not be taken or moved from dens or nests but allowed to mature until they naturally disperse.

Section 46. Right of Association to Enforce. The Association shall have the right to enforce the Use Restrictions in this Article VI by suspending, for a reasonable period of time, the rights of an Owner or an Owner's tenants, guests, or invitees, or both, to use the Common Areas and facilities and may levy reasonable fines pursuant to Article VIII hereof.

ARTICLE VII ARCHITECTURAL CONTROL

Section 1. Purpose. In order to preserve the natural setting and beauty of the Property, to establish and preserve a harmonious and aesthetically pleasing design for the Property, and to protect and promote the value of the Property, the Lots, and Units, any all Improvements located therein or thereon shall be subject to the restrictions set forth in this Article VII. Every grantee of any interest in a Lot or Unit, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article VII.

Section 2. Board Discretion.

A. The Board of Directors, is authorized to retain the services of consulting architects, landscape

architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Board in performing its functions set forth herein. The Board may establish fees, payable by the Owner of the Property or Unit as an Individual Assessment, sufficient to cover the expenses of reviewing applications, plans and related data, and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof.

B. The Board is hereby authorized to promulgate from time to time, specific architectural standards, policies, and guidelines (the "Standards") governing the construction, location, color, landscaping, and design of improvements, the contents of submissions of plans and specifications, and other information required to evidence compliance with and obtain approval pursuant to Section 3. Any such Standards published by the Board shall be binding and enforceable on all Owners with respect to all improvements on the Property requiring the approval of the Board.

Section 3. Review of the Proposed Construction.

A. No Family Dwelling Unit or exterior improvement constructed in connection therewith shall be constructed, modified, or renovated in the Association, and no improvement of any kind, including but not limited to, any Structure, storage sheds, gazebos, swimming pools, swing sets, statues, fountains, screen enclosure, fence, wall, decorative building, landscape device or object, or other improvement, shall be constructed, painted, repainted, erected, or maintained within the Association (except in Unit courtyards and beyond visibility from the street), nor shall any exterior addition to, or change or alteration be made to any such improvement. No construction by any Owner shall be permitted in the Common Areas.

B. The Board of Directors shall establish architectural guidelines and rules and regulations applicable to the Association, which may be revised by the Board from time to time and approved by the Board of Directors.

C. Board Architectural Approval. To preserve the Architectural and aesthetic appearance of the Property, no material alteration, addition, improvement, modification, change or other improvements of any nature whatsoever shall be made or maintained upon any Lot or Unit, which affects the exterior appearance of any Lot or Unit, except beyond visibility from the street, and within the courtyard.

Maintenance and repairs to exterior portions of the Units shall be subject to Board review and approval. Two (2) copies of the plans and specifications and related data showing the nature, color, type, shape, height, materials, and location of the same ("Application") shall have been submitted to and approved in writing by the Board as to the compliance of such plans and specifications with such Standards as may be published by the Board from time to time. The Board shall not be required to review an Application until it is complete. The Board shall review complete Applications and either approve or disapprove the Application, in writing, within thirty (30) days. Notwithstanding the foregoing, an Owner may make interior improvements and alterations within a Unit and the Courtyard, if not visible from the street, which do not affect the exterior appearance without the necessity of approval or review by the Board. The Board shall have the sole and absolute discretion to determine whether plans and specifications submitted for approval conform to the Community-Wide Standard. Following approval of any plans and specifications by the Board, representatives of the Board shall have the right during reasonable hours to enter upon and inspect any Lot, Unit, or other improvements with respect to which construction is underway to determine whether or not the approved plans and specifications are being complied with. In the event the Board shall determine that such plans and specifications have not been approved or are not being complied with, the Board shall be entitled to demand and/or enjoin further construction and require the removal or correction of any work in place which has not been approved or does not comply with

approved plans and specifications. In the event the Board fails to approve or disapprove in writing any proposed plans and specifications meeting all requirements of this Section within thirty (30) days after such plans and specifications and all other materials, with respect thereto as the Board may request, shall have been submitted, such plans and specifications will be deemed to have been expressly approved, provided the proposed Improvements are generally in harmony with the scheme of the Property as set forth in this Declaration. Refusal to approve plans and specifications may be based by the Board upon any ground which is consistent with the objects and purposes of this Declaration, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious. Except in cases of emergency repairs, no construction or yard maintenance performed by anyone other than the Owner shall occur on a Sunday. No contractors hired by an Owner may be allowed within the Association to perform work on Sunday. Saturday work by a contractor hired by an Owner may commence no earlier than 8:00 am and must end by 5:00 pm. The Board must have the license and insurance information on any contractor performing work within the Association, which must be provided to the Board at the time of applying for approval for said work.

D. Landscaping Approval. To preserve the aesthetic appearance of the Property, no landscaping, clearing, gardening, excavation, or filling of any nature whatsoever shall be implemented and installed by any Owner unless and until the plans thereof have been submitted to and approved in writing by the Board. The provisions of Section 3 regarding time for approval of plans, right to inspect, right to enjoin and/or require removal, etc. shall also be applicable to any proposed landscaping, clearing, gardening, excavation or filling. No Owner shall be entitled to cut, remove, or mutilate any trees, shrubs, bushes or other vegetation without obtaining the prior approval of the Board, except as expressly permitted by the Rules and Regulations. Dead or diseased shrubs, bushes, or other vegetation shall be cut and removed promptly from any Lot or Unit by the Owner of such Lot or Unit as the case may be.

E. Disclaimer as to Board Review, Approval Not Guaranteed. No approval of plans and specifications and no publication of Standards shall be construed as representing or implying that such plans, specifications, or Standards will, if followed, result in properly designed or constructed improvements. Such approvals and Standards shall in no event be construed as representing or guaranteeing that any residential Unit or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither the Association nor the Board shall be responsible or liable for (i) any defects or any plans or specifications submitted, revised or approved pursuant to the terms of this Article VII, (ii) any loss or damage to any person arising out of approval or disapproval of any plans or specifications, (iii) any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances or regulations, or (iv) any defects in construction undertaken pursuant to such plans and specifications.

F. Building Restrictions. All maintenance, repairs, and replacement shall be conducted in compliance with any and all applicable state, county, and municipal zoning and building restrictions and any applicable regulations.

G. Notwithstanding the requirement above that all Dwelling Units and the improvements constructed in connection therewith be constructed by an Approved Contractor, the Board may establish rules and regulations governing the renovation of existing Dwelling Units and the construction of improvements constructed in connection therewith, which rules and regulations may, but are not required to, permit certain improvements to be constructed by a contractor other than an Approved Builder.

Section 4. Meetings of the Board. The Board shall meet from time to time as necessary to perform its duties hereunder. The Board may from time to time, by resolution unanimously adopted in writing,

designate a Board Representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Board, except the granting of variances. In the absence of such designation, the vote of a majority of members of the Board shall constitute an act of the Board.

Section 5. No Waiver of Future Approvals. The approval of the Board 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 the Board, 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.

Section 6. Construction of Improvements. No temporary house, shack, tent, or other outbuilding shall be permitted on any Lot at any time. During any construction by an Owner, such Owner shall require its contractors to maintain the Lot and Unit in a reasonably clean and uncluttered condition and, to the extent possible, all construction trash and debris shall be kept within refuse containers, and the construction site shall be kept secure by the use of temporary fences during construction. Upon completion of construction, such Owner, as the case may be, shall cause its contractors to immediately remove all equipment, tools, construction material, and debris from the Lot or Unit on which such construction has been completed.

Section 7. Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

A. Upon the completion of any work for which approved plans are required under this Article, the applicant (the "Applicant") for such approval shall give written notice of completion to the Board.

B. Within thirty (30) days thereafter, the Board or its duly authorized representative may inspect such improvement. If the Board finds that such work is not in substantial compliance with the approved plans, it shall notify the Applicant in writing of such noncompliance within ten (10) days after said inspection, specifying the particulars of noncompliance, and shall require the Applicant to remedy the same. If the Board or its duly authorized representative requests additional time, the 30-day period provided for herein shall be extended for a reasonable period.

C. If upon the expiration of thirty (30) days from the date of such notification, the Applicant shall have failed to remedy such noncompliance, the Board shall so notify the Applicant of such failure. Upon Notice and Hearing, the Board shall determine whether there is noncompliance, and if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than forty-five (45) days from the date of announcement of the Board ruling. If the Applicant does not comply with the Board ruling within such period, the Board, at its option, may either seek enforcement by equitable action to force compliance, or remove the noncomplying Improvement or remedy the noncompliance, and the Applicant shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly remitted by the Applicant to the Association, the Board shall levy a Special Assessment against such Applicant for reimbursement, which Special Assessment shall become a lien upon the property and shall be treated as an unpaid Regular Assessment.

D. If for any reason the Board fails to notify the Applicant of any noncompliance or request for additional time within thirty (30) days after receipt of said written notice of completion from the Applicant, the Improvement shall be deemed to be in accordance with said approved plans.

Section 8. Non-Liability of the Board Representative. Neither the Association, nor the Board, nor any member thereof, nor its duly authorized Board Representative, shall be liable to the Association or to any Owner or any other person or entity for loss, damage, or injury arising out of or in any way connected with the performance of the Board's duties hereunder, unless due to the willful misconduct of a Board Representative and then only that Board Representative shall have any liability. The Board shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration, repainting, or addition solely on the basis of aesthetic considerations and the overall benefit or detriment to the immediate vicinity and to the Association. The Board shall take into consideration the impact on surrounding area, the aesthetic aspects of the architectural designs, the placement of buildings, landscaping, color schemes, exterior finishes, materials, and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of structural safety or conformance with building or other codes.

Section 9. Variance. The Board may authorize variances from compliance with any of the architectural provisions from time to time in existence as a result of this Declaration, the Rules or any Supplemental Declaration when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require. Such variance must be evidenced in writing, which must be signed by a majority of the members of the Board. If such variances are granted, no violation of the covenants, conditions, and restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration, the Rules, or of any Supplemental Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all government laws and regulations affecting his use of the premises, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any government or municipal authority. The granting of a variance in one instance shall not waive the rights of the Board to refuse to grant a variance in any other instance, whether or not such other instance is similar in nature, if the policy of the Board has changed subsequent to the initial variance or if based upon experience obtained with respect to the initial variance. Any variance granted, or not granted, shall be subject to the approval of the Board, and any decision concerning same shall not be binding until approved by the Board.

ARTICLE VIII RULE MAKING AND ENFORCEMENT

Section 1. Rules and Regulations. Subject to the provisions hereof, the Board of Directors may establish reasonable Rules and Regulations concerning the use and transfer, sale, or lease of Lots, Units and the Common Areas and facilities located thereon. Copies of such Rules and Regulations and amendments thereto shall be furnished by the Association to all Owners prior to the effective date of such Rules and Regulations and amendments thereto. Such Rules and Regulations shall be binding upon the Owners, their families, tenants, guests, invitees, employees, and agents, until and unless any such rule or regulation is specifically overruled, canceled, or modified by the Board of Directors or at a regular or special meeting of the Association.

Section 2. Authority and Enforcement. Subject to the provisions of Section 3, upon the violation of this Declaration, the Bylaws or any Rules and Regulations duly adopted hereunder, including without limitation, the failure to timely pay any Assessments, the Board shall have the power (i) to impose monetary fines against the Owners or Occupants who are guilty of such violations, which fines shall

constitute an equitable charge and a continuing lien upon the Owner's Unit until paid, (ii) to suspend an Owner's right to vote on Association issues or elections, or (iii) to suspend an Owner's right (and the right of such Owner's family, guests and tenants and of the co-Owners of such Owner and their respective families, guests and tenants) to use any of the Recreational Facilities located on the Common Areas. The Board shall have the power to impose all or any combination of these sanctions. An Owner shall be subject to the foregoing sanctions in the event of such a violation by such Owner, his or her family, guests, or tenants or by his or her Occupants or co-Owners or the family, guests or tenants of his or her Occupants or co-Owners. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed ninety (90) days per Violation, with the exception of continuing violations, including nonpayment of fines and Assessments, which shall result in suspended use until resolved.

Section 3. Procedure. The Rules and Regulations shall be binding upon the Owners, their families, tenants, guests, invitees, employees, and agents. Rules violations shall be reported to the Association in writing. The procedure for enforcement of this Declaration or the Rules and Regulations shall be as follows:

A. Notice: The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Compliance Committee of the Association. Said committee shall comprise at least three (3) members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee, at which time the Owner shall present reasons why a fine(s) should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

B. Hearing: The alleged non-compliance shall be presented to the Compliance Committee so appointed by the Board of Directors at which hearing the Compliance Committee shall hear reasons why a fine(s) should not be imposed. A written decision shall be submitted to the Owner by no later than fifteen (15) days after the meeting.

C. Amounts: The Board of Directors (if the Compliance Committee's findings are confirmed against the Owner) may impose Special Assessments against the Unit owned by the Owner not in excess of One Hundred (\$100.00) Dollars per day without a limitation on the aggregate amount of the amount due.

D. Payment of Penalties: Fines shall be paid not later than five (5) days after notice of the imposition or Assessment of the penalties.

E. Collection of Fines: Fines shall be treated as an Assessment subject to the provisions for the collection of Assessments as set forth herein, to the greatest extent permitted by law.

F. Application of Proceeds: All monies received from fines shall be allocated as directed by the Board of Directors of the Association.

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

H. Attorney's Fees: In the event that the Association is the prevailing party with respect to any litigation respecting this Article VIII, it shall be entitled to recover all of its attorney's fees and

paraprofessional fees and costs at trial and upon appeal.

ARTICLE IX ASSESSMENTS

Section 1. Purpose of Assessments. The Assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, welfare, common benefit, and enjoyment of the Owners and Occupants of the Property, and maintaining the Property and improvements therein, all as may be authorized in this Declaration, the Articles, the Bylaws, and as may otherwise be determined from time to time by the Board of Directors.

Section 2. Creation of Lien and Personal Obligation of Assessments. Each Owner of a Lot or Unit by acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in such deed or conveyance, is deemed to covenant and agree to pay to the Association (i) Annual Assessments, such Assessments to be established and collected as provided in Section 3 hereof, (ii) Special Assessments, such Assessments to be established and collected as provided in Section 4 hereof, (iii) Individual Assessments against any particular Lot or Unit which are established pursuant to the terms of this Declaration as provided in Section 5 hereof, and (iv) any other Assessment. Any such Assessment shall be a charge and a continuing lien upon the Lot or Unit, the Owner or Occupant of which is responsible for payment. Non-payment or late payment of such an Assessment ten days after it is due is subject to Simple Interest charged at the rate of eighteen percent (18%) per annum, or the highest rate allowed by Florida law as such may change from time to time, whichever is greater, and also late fees in an amount as may be determined by the Board from time to time, any court costs and attorneys' fees incurred to enforce or collect such Assessment. Each Owner shall be personally liable for Assessments coming due while he or she is the Owner of a Lot or Unit, and his or her grantee shall take title to such Lot or Unit subject to the charge and continuing lien therefor, but without prejudice to the rights of such grantee to recover from his or her grantor any amounts paid by such grantee therefor. Any purchaser of a Lot or Unit through a Foreclosure sale shall thereafter be subject to all future Assessments, and shall be responsible for any unpaid prior Assessments and all other sums due, which sums including fines, legal fees, interest, late fees, and costs for repairs, which are hereby counted as Assessments, to the maximum extent permitted by Florida law. In the event of co-ownership of any Lot or Unit, all of such co-Owners shall be jointly and severally liable for the entire amount of such Assessments and shall pay in such manner and on such dates as may be fixed by the Board of Directors, time being of the essence, provided that unless otherwise provided by the Board, the annual Assessments shall be paid in quarterly installments.

Section 3. Computation of Annual Assessments. It shall be the duty of the Board at least thirty (30) days prior to the end of the Association's calendar year to prepare and adopt in accordance with procedures required by law, a budget covering the estimated Common Expenses during the coming year. The Board shall cause the proposed budget and the proposed total of the annual Assessments to be levied against Lots and Units for the following year, or written notice that such budget is available at the Association's offices, to be delivered in accordance with this Declaration to each Owner at least fifteen (15) days prior to the Board of Directors meeting called for the purpose of adopting the budget and the Annual Assessment. The budget and the Annual Assessments shall become effective unless disapproved at the annual meeting. If any budget at any time proves inadequate for any reason, then the Board may amend the budget and the Assessments for the remainder of the calendar year or levy a Special Assessment as provided in Section 4 hereof. Each Unit shall be subject to Annual Assessments based upon equally among every Unit. Notwithstanding the foregoing, in the event the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then and until such time as a budget shall

have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year subject to a maximum five percent (5%) increase in each line item of the preceding year's budget.

The budget may include, but is not limited to, the following listed line items

A. All expenses necessary to meet the Association's responsibility to maintain the Common Areas and to maintain landscaping of Units in accordance with the requirements of this Declaration, including, by way of illustration and not as obligation, such Common Areas expenses as irrigating, grass cutting, trimming, fertilizing, pest control, and the like.

B. All charges levied for utility services to the Common Areas, whether supplied by a private or public firm including, without limitation, all charges for water, electricity, telephone, sewer, cable television, and any other type of utility or service charge.

C. The premiums on any policy or policies of Insurance required under this Declaration, together with the costs of such other policies of insurance as the Board shall determine to be in the best interest of the Association.

D. The costs of administration for the Association, including any secretaries, bookkeepers, managers, and other employees necessary to carry out the obligations and covenants of the Association under this Declaration, including the collection of sums owed by a particular Lot. In addition, the Association may retain a managing company or contractors to assist in the operation of the Association and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of the Association's expense.

E. The costs of any Community Control Program, including any security personnel and electronic gate security.

F. All taxes levied or assessed upon the Common Areas by any and all taxing authorities, including all taxes, charges and Assessments, impositions and Liens for public improvements, special charges and Assessments, and, in general, all taxes on personal property and improvements which are now and which hereinafter may be placed in the Common Areas, including any interest penalties and other charges which may accrue on such taxes.

G. All off property maintenance, including, without limitation, median landscaping, as required by the City, the County or other governmental authority.

H. Any charges, including, without limitation, sales tax for alarm services provided to Units ("Bulk Alarm Assessments"). Notwithstanding the foregoing, all equipment and related items to Bulk Alarm Assessments shall be maintenance expenses of each Owner.

I. Any charges, including, without limitation, sales tax and franchise fees, for Telecommunication Services provided to Units ("Bulk Cable Assessments").

J. The Board may, but shall have no obligation to, include a "Reserve for Replacement" in the Assessments in order to establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of such Improvements comprising a portion of the Common Areas.

Section 4. Special Assessments. In addition to the Annual Assessments authorized above, the Association, acting through its Board of Directors, may levy, in any Assessment year, Special Assessments for the purpose of defraying, in whole or in part, known expenses which exceeded, or when mature will exceed, the budget prepared and on which the Annual Assessment was based, applicable to that year only (a "Special Assessment"). The Board of Directors may make such Special Assessments payable in installments over a period which may, at the Board's discretion, extend in excess of the calendar year in which adopted. The total amount of Special Assessments, in any one year, may not exceed a sum equal to three thousand (\$3,000) per year, except in the case of emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss.

Section 5. Individual Assessments. The Board of Directors may levy against an Owner or tenant (i) any damage or costs incurred by the Association arising out of the negligent or willful misconduct of the Owner, tenant and/or family members, guests or invitees of an Owner or tenant, and (ii) any expenses arising out of the provision by the Association of maintenance service to such Owner or tenant's Unit under Article VII, Section 7, Article VIII, and any other Lienable charge against a specific owner as reserved in this Declaration (in each case, an "Individual Assessment"). The Individual Assessments provided for in this Section shall be levied by the Board of Directors. The amount and due date of such Assessments shall be within 15 days of receipt of a ledger reflecting the amount owed, or as otherwise specified by the Board of Directors.

Section 6. Liens. All sums assessed against any Lot or Unit pursuant to this Declaration, together with court costs, reasonable attorneys' fees, late charges, and interest as provided herein, shall be secured by an equitable charge and continuing lien on such Lot or Unit in favor of the Association. Such liens shall be superior to all other liens and encumbrances on such Lot or Unit except only for (i) liens of ad valorem taxes, and (ii) liens for all sums unpaid on an Institutional Mortgage, except to the extent Mortgagees can be made liable for Assessments pursuant to Florida law, and all amounts advanced pursuant to any such Mortgage and secured thereby in accordance with the terms of such Instrument. Notwithstanding the foregoing to the contrary, the subordination of Assessments to the lien of such Mortgages shall only apply to such Assessments which have become due and payable prior to a Foreclosure, and then only to the extent Mortgagees cannot be made liable for such prior Assessments pursuant to Florida law. All other persons acquiring liens or encumbrances on any Lot or Unit after the recording of the original Declaration shall be deemed to have consented that such liens or encumbrances shall be inferior to future liens for Assessments as provided herein, whether or not such prior consent shall be specifically set forth in the instruments creating such liens or encumbrances.

Section 7. Effect of Nonpayment, Remedies of the Association. Any Assessment of an Owner or any portion thereof which is not paid when due shall be delinquent. Time for payment of any Assessment shall be of the essence. Any Assessment delinquent for a period of more than twenty-five (25) days after the date when due shall incur a late charge in an amount as may be determined by the Board from time to time and shall also accrue simple interest at the rate of eighteen percent (18%) per annum, or the highest rate permissible by Florida law, which may be amended from time to time. A lien and equitable charge as herein provided for each Assessment shall attach simultaneously as the same shall become due and payable, and if any installment of the Assessment for such year has not been paid within thirty (30) days, the entire unpaid balance of the Annual Assessment or any Special Assessment payable in installments may be accelerated at the option of the Board and be declared immediately due and payable in full. The continuing lien and equitable charge of such Assessment shall include the late charge established by the Board of Directors, interest on the principal amount due at the rate of eighteen percent (18%) per annum or the highest amount permissible by Florida law, all costs of collection (including

reasonable attorneys' fees and court costs), and any other amounts provided or permitted hereunder or by law. Unless otherwise provided by law, in the event that the Assessment remains unpaid after proper notice as required under Florida law, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. The equitable charge and lien provided for in this Article shall be in favor of the Association, and each Owner, by his acceptance of a deed or other conveyance to a Lot or Unit, vests in the Association and its agents the right and power to bring all actions against him personally for the collection of such Assessments as a debt and/or to foreclose the aforesaid lien in the same manner as other liens for the Improvement of real property. The Association shall have the power to bid on the Lot or Unit at any Foreclosure sale and to acquire, hold, lease, mortgage, and convey the same.

No Owner may waive or otherwise escape liability for the Assessments provided for herein, including by way of illustration but not limitation, non-use of the Common Areas or abandonment of his Lot or Unit, and an Owner shall remain personally liable for Assessments, interest, and late charges which accrue prior to a sale, transfer or other conveyance of his Lot or Unit. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association 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 the County or other governmental authority.

Section 8. Common Areas and Certain Other Property. No Common Areas shall be subject to Assessment hereunder. Furthermore, the foregoing exemption shall apply to any land owned by a public agency as long as such land is used for public purposes.

Section 9. Use of Reserves. Any reserve funds established by the Association from time to time shall be used only for the purpose originally reserved for in the Association budget and may not be used by the Association for any other purpose, unless such other purpose is approved by a majority vote of all votes in the Association. Notwithstanding the foregoing, the Board of Directors of the Association shall have the authority to utilize up to 20% of the amount reserved in any particular Reserve Fund for another capital purpose without the vote or the approval of the Owners. For example, the Board of Directors would have authority to use up to 20% of the amounts reserved for road repairs for a drainage repair without requiring a vote of the Owners. However, the Board of Directors shall not have the authority to use the reserve funds for Operating Expenses, or for any other purpose except upon the required vote of the Owners.

Section 10. Assessment Estoppel Certificates. No Owner shall sell or convey his interest in a Unit unless all sums due the Association have been paid in full and an estoppel certificate in recordable form shall have been received by such Owner. The Association shall prepare and maintain a ledger noting Assessments, fines, and other fees due from each Owner. The ledger shall be kept in the office of the Association, or its designees, and shall be open to inspection by Owner within fifteen (15) days of a written request therefor, or such time as required by Florida statute, which may be amended from time to time. There shall be furnished to an Owner an estoppel certificate in writing setting forth whether the Assessments have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated. The Owner requesting the estoppel certificate shall be required to pay the Association a reasonable sum to cover the costs of examining records and preparing such estoppel certificate. Each Owner waives its rights (if any) to an accounting related to the Association

expenses or Assessments.

ARTICLE X DAMAGE OR DESTRUCTION TO COMMON AREAS

Section 1. Casualty. Damage to, or destruction of, all or any portion of the Common Areas shall be handled in the following manner, notwithstanding any provision in this Declaration to the contrary:

A. In the event of damage to or destruction of the Common Areas, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged Units) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary. If the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such portions of the Common Areas to be repaired and reconstructed substantially as it previously existed.

B. If the insurance proceeds are within Fifty Thousand Dollars (\$50,000.00) or less of being sufficient to effect total restoration of the Common Areas, then the Association shall cause such portions of the Common Areas to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a capital improvement Assessment against each of the Owners in equal shares.

C. If the insurance proceeds are insufficient by more than Fifty Thousand Dollars (\$50,000.00) to effect total restoration of the Common Areas, then by written consent or vote of a majority of the Members, they shall determine, whether (i) to rebuild and restore the Common Areas in substantially the same manner as they existed prior to damage and to raise the necessary funds over the insurance proceeds by levying capital improvement Assessments against all Members, (ii) to rebuild and restore in a way which is less expensive than replacing the Common Areas in substantially the same manner as they existed prior to being damaged, or (iii) subject to the approval of the Board, to not rebuild and to retain the available insurance proceeds. Anything to the contrary herein notwithstanding, no decision not to rebuild in a manner which would result in a change to the Common Areas shall be effective without the written approval of the Board of Directors, which can require rebuilding as they deem appropriate.

If after repair and reconstruction is completed there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board of Directors.

D. Each Member shall be liable to the Association for any damage to the Common Areas which may be sustained by reason of the negligence or willful misconduct of any Member or his Member's household members, guests, tenants, agents, employees and invitees. The cost of correcting such damage shall be an Assessment against the Member and may be collected as provided herein for the collection of Assessments.

E. Encroachments upon, or in favor of Lots which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Lot Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Subdivision was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstruction building shall stand.

ARTICLE XI GENERAL PROVISIONS

Section 1. Duration. The covenants, conditions, and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association and any Owner, their respective legal representatives, heirs, successors, and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded. After said ninety-nine (99) year period, said covenants shall be automatically extended for successive periods of ten (10) years unless terminated as follows:

A. Termination shall be voted at a meeting of the Members after giving of written notice that termination will be considered to each Member at least forty-five (45) days in advance of said meeting.

B. Three-fourths (3/4) of the Members present and voting, and joined by all Institutional Lenders authorizing those three-fourths (3/4) of the Members must vote in favor of termination.

In the event that the Association votes to terminate this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate and all the consents of all mortgagees shall be recorded in the Public Records of Palm Beach County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

Every deed recorded must incorporate this Declaration by reference in Official Records.

Section 2. Amendment by Association. Amendments to this Declaration shall be proposed and adopted in the following manner.

A. Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered and shall be delivered to each Owner. This Section shall not apply if Owners' approval for proposed amendments is obtained by written consent in lieu of a meeting.

B. The Declaration may be amended by a vote of at least 75% of the homeowners at a duly called meeting of homeowners, provided a quorum exists. A quorum shall constitute 51% of all the Unit Owners or a lesser amount if 80% of all homeowners present at the meeting (in person, by consent, and by proxy) vote to constitute a quorum. In that event, a quorum shall exist for purposes of that particular meeting.

C. The approval or consent of the required percentage of the Owners to any amendment of this Declaration shall be evidenced by a sworn certification or executed by the Association which sworn statement shall state unconditionally that the required approval or consent of the Owners was lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded in the public records of the County or at such later date as may be specified to the amendment itself.

Section 3. Enforcement. Each Owner and Occupant shall comply strictly with the Bylaws and the published Rules and Regulations of the Association adopted pursuant to this Declaration, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set

forth in this Declaration and in the deed or other instrument of conveyance to his Lot or Unit. If any failure to comply with any of the same shall be grounds for imposing fines, for suspending voting rights or rights of use of the Recreational Facilities located in the Common Areas, or for instituting an action to recover sums due, for damages, and/or for injunctive relief, and/or any other remedy available at law or in equity, such actions are to be maintainable by the Board of Directors on behalf of the Association or, in a proper case, by an aggrieved Owner. Should the Association employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including court costs and reasonable attorneys' fees, shall be paid by the violating Owner. Inasmuch including the enforcement of the provisions of this Declaration, the Bylaws, and the Rules and Regulations of the Association are essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof may not adequately be compensated by recovery of damages, and that the Association or any aggrieved Owner, in addition to all other remedies shall be entitled to the remedy of injunction or other equitable action to restrain any such violation or breach or any threatened violation or breach. No delay, failure, or omission on the part of the Association or any aggrieved Owner in exercising any right, power, or remedy herein provided shall be construed as an acquiescence thereto or shall be deemed a waiver of the right to enforce such right, power or remedy thereafter as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against the Association for or on account of any failure to bring any action on account of any violation or breach, or threatened violation or breach, by any person of the provisions of this Declaration, the Bylaws or any Rules and Regulations of the Association, however long continued. This Section shall not be amended unless such amendment is made or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 4. Enforcement by or Against Other Persons. In addition to the foregoing, this Declaration and the Rules and Regulations may be enforced by the Association by any procedure at law or in equity against any person violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this Declaration, including the Rules and Regulations, shall be borne by the person against whom enforcement is sought, provided such proceeding results in a finding that such person was in violation of this Declaration or the Rules and Regulations.

Section 5. Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Board of Directors, will best effect the intent of the general plan of development and operation of the Association. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective. The provisions of this Declaration shall be given full force and effect, notwithstanding the existence of any zoning ordinance, building codes, or other regulations which are less restrictive. The effective date of this Declaration shall be the date of the initial filing for record of the Original Declaration. The captions of each Article and Section hereof as to the contents of each Article and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer. This Declaration shall be construed under and in accordance with the laws of the State of Florida.

Section 6. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 7. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

Section 8. Rights of Third Parties. This Declaration shall be recorded for the benefit of the Association and the Owners as herein provided, and by such recording, no adjoining property owner or third party shall have any right, title, or interest whatsoever in the Property, except as provided herein, or in the operation or continuation thereof or in the enforcement of any of the provisions hereof, and the Owners shall have the right to extend, modify, amend, or otherwise change the provisions of this Declaration without the consent, permission, or approval of any adjoining Owner or third party.

Section 9. No Trespass. Whenever the Association or the Board and their respective successors, assigns, agents, employees, or contractors are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve, or do any other action within any portion of the Property, the entering thereon and the taking of such action shall not be deemed to be a trespass.

Section 10. Notices. Notices required hereunder shall be in writing and shall be delivered by hand, or sent by United States mail, postage prepaid, or, with respect to notices to Owners, sent electronically to an electronic email address. All notices to Owners shall be delivered or sent to such physical or electronic addresses as have been designated in writing to the Association, or if no address has been so designated, at the addresses of such Owners' respective Lots or Units. All notices to the Association shall be delivered or sent to the following address:

GARDEN LAKES PROPERTY OWNERS ASSOCIATION, INC.
c/o Sea Breeze CMS, Inc.
4227 Northlake Blvd.
Palm Beach Gardens, FL 33410

or at such other address as specified by written notice to Owners. Notices to Mortgagees shall be delivered to such address as such Mortgagees specify in writing to the Association, and if no such notice is given to the Association, to the address provided in the Mortgage. All notices are deemed delivered when delivered by hand, or when deposited in the United States mail, or when sent electronically.

Section 11. Plats. In addition to this Declaration, the Property shall be subject to the additional covenants, restrictions, easements, dedications, reservations, and other terms and provisions set forth in the Development Order, and plats of the Property, which plats are recorded in the public records of the County.

Section 12. Termination by Declaration. Should this Declaration be terminated as provided herein, all Common Areas shall be transferred to a trustee appointed by the Circuit Court, Palm Beach County, Florida, which trustee shall sell the Common Areas free and clear of the limitations imposed hereby upon terms established by the Circuit Court of Palm Beach County, Florida. The proceeds of such a sale shall first be used for the payment of any debts or obligations constituting a lien on the Common Area, then for the payment of any obligations incurred by the trustee in the operation, maintenance, repair, and upkeep of the Common Area. The excess of proceeds, if any, from Common Area shall be distributed among property Owners in a proportion which is equal to the proportionate share of such Owners in the

annual budget; provided, however, that where the portion of the Property owned by any Owners is encumbered by a mortgage, the distribution attributable to said portion of the Property shall be applied as provided in said mortgage either as specifically provided therein or as provided in cases on condemnation awards.

Section 13. Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform development plan for the operation of the Property.

Section 14. Dissolution of Association. The Association may not be dissolved prior to the termination of this Declaration as heretofore provided. In the event the Association is involuntarily terminated for failure to comply with the requirements of Chapter 720, Florida Statutes, or otherwise:

A. The last directors as surviving trustees shall forthwith take such steps as may be necessary to immediately reinstate the Association's corporate status, and until such corporation status is reinstated,

B. The last directors as surviving trustees shall continue the activities of the Association, and

C. Each of the Members of the Association shall be responsible for the proper performance of the mandatory functions of the Association as specified in this Declaration.

Section 15. Exhibits. The following exhibits are attached to and incorporated in this Declaration.

Exhibit A: Merged, Amended, and Restated Bylaws

Exhibit B: Legal Description of Initial Property

In witness whereof, a duly authorized officer of the Association has executed this Declaration under seal, as of the day and year first written above.

**MERGED, AMENDED, AND RESTATED BY-LAWS
OF GARDEN LAKES HOMEOWNERS ASSOCIATION, INC.**

(merged through December, 2016)

Section 1. IDENTITY. These are the Merged, Amended, and Restated Bylaws of Garden Lakes Homeowners Association, Inc., a corporation not for profit incorporated under the laws of the State of Florida, and organized for the purpose of administering a planned residential community known as "Garden Lakes" located in Palm Beach Gardens, Florida (hereinafter called the "Association"). Such operation by the Association shall include the management of Garden Lakes in keeping with the terms and conditions as set forth in the Declaration of Covenants, Conditions, and Restrictions of Garden Lakes, and the enforcements of such covenants and restrictions.

WHEREAS, the Declaration of Condominium for **Garden Lakes Homeowners Association, Inc.** has been duly recorded in the Public Records of Palm Beach County, Florida, in Official Record Book 2847 at Page 1331; with amendments thereto; and

All prior By-Laws, with amendments thereto, are hereby revoked and superseded in their entirety.

1.1 Principle Office. The principal office of the Association shall be at 11511 Garden Lakes Circle, Palm Beach Gardens, FL 33418 or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.

1.2 Seal. The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "not for profit." The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced, or otherwise placed upon any document or writing of the corporation where a seal may be required.

1.3 Definitions. For convenience, these Bylaws shall be referred to as the "Bylaws" and the Articles of Incorporation as the "Articles." The other terms used in these Bylaws shall have the same definition and meaning as those set forth in the attached Amended and Restated Declaration of Covenants, Conditions, and Restrictions of Garden Lakes Homeowners Association, Inc. shall apply to terms used in these By-Laws.

1.4 Fiscal Year. The fiscal year of the Association shall be the calendar year or any other period for accounting convenience.

Section 2. MEMBERSHIP AND VOTING RIGHTS.

2.1 Qualifications. Subject to the provisions of Article 3.3 of the Declaration: The Members of the Association shall be the record Owners of legal title to the Units. The foregoing is not intended to include persons who hold their interest merely as security for the performance of an obligation.

2.2 Change in Membership. Subject to the provisions of Section 2.1 above: A change of membership shall be established and become effective by recording in the Public Records of the County, a deed, or other similar instrument and by the delivery to the Association of a copy of such instrument. The failure of a new record Owner to deliver a copy of such instrument to the Association shall not deprive the

new record owner of membership in the Association.

2.3 Termination of Membership. The termination of membership in the Association does not relieve or release a former Member from liability or obligation incurred in, or in any way connected with, the Association during the period of his membership, nor does it impair any rights or remedies which the Association may have against any former Owner or member arising out of, or in any way connected with, such ownership and membership and the covenants and obligations incident to same.

2.4 Voting Interests: Votes. In any meeting of Members, Owners shall be entitled to cast one vote for each Dwelling Unit owned by them. The vote of a Dwelling Unit shall not be divisible.

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

B. Voting Member. If a Dwelling Unit is owned by one person, his or her right to vote shall be established by the roster of Members. If a Dwelling Unit is owned by more than one person, the person entitled to cast the vote for the Dwelling Unit shall be designated by a certificate signed by all of the record Owners of the Dwelling Unit according to the roster of Owners and filed with the Secretary of the Association. Such person need not be an Owner, nor one of the joint owners. If a Dwelling Unit is owned by a corporation or other entity, the person entitled to cast the vote for the Dwelling Unit shall be designated by a certificate signed by an appropriate officer of the corporation or entity and filed with the Secretary of the Association. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Dwelling Unit concerned. A certificate designating the person entitled to cast the vote for a Dwelling Unit may be revoked by any record Owner of an undivided interest in the Dwelling Unit. If a certificate designating the person entitled to cast the vote for a Dwelling Unit is not on file or has been revoked, the vote of the Owner(s) of such Dwelling Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed, except if the Dwelling Unit is owned jointly by a married couple or a domestic partnership. If a Dwelling Unit is owned jointly by a married couple or domestic partners, they may, without being required to do so, designate a voting Member in the manner provided above. Such designee need not be an Owner. In the event a married couple or domestic partners do not designate a voting member, the following provisions shall apply:

i. If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).

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

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

2.5 Approval or Disapproval of Matters. Whenever the decision or approval of an Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Unit if in an Association meeting, unless the joinder of record Owners is specifically required.

2.6 Electronic Voting: In the event the Board shall implement electronic (online) voting, it shall be the duty of the board to obtain a written consent from each member opting into online voting, which shall be valid until revoked, and the Board must follow the requirements listed below:

A. Each member will be provided with a method to authenticate the member's identity through the online voting system.

B. 14 days prior to each voting deadline, each member's electronic device will be checked to ensure successful communication with the online voting system.

The online voting system that the Association uses will:

C. Authenticate each member's identity.

i. Authenticate the validity of each electronic vote to ensure that it is not altered in any way after submission.

ii. Transmit a receipt from the online voting system to each member who casts such vote.

iii. In the case of a secret election, permanently separate any authentication or identifying information from the electronic election ballots.

iv. Store and keep electronic ballots accessible to election officials for recount, inspection, and review purposes.

2.7 Delinquent Owners. If any Assessment or portion thereof imposed against an Owner remains unpaid for thirty (30) days following its due date, such Owner's voting rights in the Association shall be automatically suspended until all past due Assessments and all other sums then due are paid, where upon the voting rights shall be automatically reinstated.

Section 3. MEMBERS MEETINGS.

3.1 Annual Meeting. The annual meeting shall be held in the County each year at a day, place,

and time designated by the Board of Directors, provided that there shall be an annual meeting every calendar year. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the Members, or as stated in the notice of the meeting sent to Members in advance thereof. Boards or committee members may participate in meetings via telephone, real-time videoconferencing, or similar real-time electronic or video communication. Directors who appear electronically count toward establishing a quorum, and may vote as if physically present.

3.2 Election Meeting. The election meeting shall be held in the County each year as part of the annual meeting, for the purpose of electing Directors.

3.3 Special Meeting. Special member's meetings must be held whenever called by the President, Vice President, or by a majority of the Board of Directors, and must be promptly called by the President upon the President's or Secretary's receipt of a written petition signed and dated by at least ten (10%) percent of the voting interests of the membership. Such petition shall state the purpose(s) of the meeting. The business at any special meeting shall be limited to the items specified in the petition, and contained in the notice of meeting. Boards or committee members may participate in meetings via telephone, real-time videoconferencing, or similar real-time electronic or video communication. Directors who appear electronically count toward establishing a quorum, and may vote as if physically present.

A. The calling of a special meeting for recall of Directors is governed by Section 4.4. below and by applicable Administrative Rules, and not by the provisions of this section 3.3.

3.4 Notice of Members Meetings.

A. Election Meeting. Notice of the election meeting shall be as provided for in Section 4.2 below.

B. Annual and Special Meetings. Notice of all annual and special member's meetings must state the time, date, and place of the meeting. Notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called. Notice of a Special Meeting must include a description of the purpose or purposes for which the meeting is called. Notice of all annual and special meetings shall be sent by first class mail to each Owner at his address as it appears on the books of the Association. Notice of meetings (except membership meetings to recall board members) may be given by electronic transmission to Members who consent in writing to receive notice by electronic transmission. The officer, manager, or other person making such mailing shall provide an affidavit as to the mailing, which shall be retained as part of the official records of the Association. Notice of an annual or special Members' meeting may, alternatively, be delivered in person if a written waiver of mailing is obtained. The notice must be mailed or delivered at least fourteen (14) days, but not more than sixty (60) days, prior to the date of the meeting, and must also state the intended agenda for the meeting.

i. Notices of meetings of members shall be posted in a conspicuous place on the Association Property at least forty-eight (48) hours prior to the membership meeting; except in an emergency.

C. Waiver of Notice.

1. A member may waive any notice of a meeting of the members before or after the date and time stated in the notice. The waiver must be in writing, be signed by the member entitled to the notice, and be delivered to the Association for inclusion in the minutes or filing with the corporate records. Neither the business to be transacted at nor the purpose of any regular or special meeting of the members need be specified in any written waiver of notice.

2. A member's attendance at a meeting, either in person or by proxy:

i. Waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; or

ii. Waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

3.5 Proxies. A Proxy may be given by any person entitled to vote, and shall be valid only for the specific meeting for which it was originally given and/or any lawful adjournment of that meeting. No proxies shall be used for elections. No proxy shall be valid for a period longer than ninety (90) days after the date of first meeting for which it was given. Every proxy shall be revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, and signed by the person authorized to cast the vote for the Unit, and must be delivered to the Secretary at or before the adjournment of the particular meeting. The proxy form must conform to any requirement of Florida Statutes and applicable Administrative Rules. An executed original, an executed telegram or cablegram appearing to have been transmitted by the authorized person, or a photographic, photostatic, facsimile, or equivalent reproduction of a proxy form are all valid. Holders of proxies need not be members. The holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy. The proxy may name the Board of Directors as the proxy holder, in which case the proxy shall be voted in the manner determined by resolution of the Board.

Subject to Section 3.6 of these By-Laws and to any express limitation on the proxy's authority appearing on the face of the proxy form, the Association is entitled to accept the proxy's vote or other action as that of the member appointing the proxy.

A. Election of Directors. Notwithstanding the foregoing to the contrary, except as otherwise permitted by Florida Statutes and Administrative Rules as to filling of vacancies by the membership after recall, no proxies may be used for the election of Directors.

3.6 Association's Acceptance of Votes.

A. If the name signed on a vote, consent, waiver, or proxy appointment corresponds to the name of a Member, the Association if acting in good faith is entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the member.

B. If the name signed on a vote, consent, waiver, or proxy appointment does not correspond to

the name of its Member, the Association if acting in good faith is nevertheless entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the member if:

1. The Member is an entity and the name signed purports to be that of an officer or agent of the entity;

2. The name signed purports to be that of an administrator, executor, guardian, personal representative, or conservator representing the Member and, if the Association requests, evidence of fiduciary status acceptable to the Association has been presented with respect to the vote, consent, waiver, or proxy appointment;

3. The name signed purports to be that of a receiver, trustee in bankruptcy, or assignee for the benefit of creditors of the member and, if the Association requests, evidence of this status acceptable to the Association has been presented with respect to the vote, consent, waiver, or proxy appointment;

4. The name signed purports to be that of a pledgee beneficial Owner or attorney-in-fact of the member and, if the Association requests, evidence acceptable to the Association of the signatory's authority to sign for the member has been presented with respect to the vote, consent, waiver, or proxy appointment; or,

5. Two or more persons are the member as cotenants or fiduciaries and the name signed purports to be the name of at least one of the co-Owners and the person signing appears to be acting on behalf of all co-Owners.

C. The Association is entitled to reject a vote, consent, waiver, or proxy appointment if the secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the Member.

D. The Association and its officer or agent who accepts or rejects a vote, consent, waiver, or proxy appointment in good faith and in accordance with the standards of this Section 3.6 are not liable in damages to the member for the consequences of the acceptance or rejection.

E. Corporate action based on the acceptance or rejection of a vote, consent, waiver, or proxy appointment under this Section 3.6 is valid unless a Court of competent jurisdiction determines otherwise.

3.7 Vote Required, Membership Participation. If a quorum exists, action on a matter (other than the election of Directors) by the members is approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the Association Documents or applicable law require a greater number of affirmative votes. Any member may speak with reference to all designated agenda items, but shall not be permitted to speak for more than three minutes for matters that are on the meeting agenda and two minutes on matters that are not on the agenda. The Board shall be permitted to adopt reasonable written Rules and Regulations adopted by the Board of Directors governing the frequency duration and manner of members' statements; any of such Rules and Regulations shall yield for a particular meeting to the extent that two-thirds of the voting interests at the Meeting determine so. An Owner shall have the right to tape record or videotape a members' meeting, subject to any applicable administrative Rules and written Board rules on the subject. Notwithstanding the foregoing to the contrary, no Owner may videotape or tape record at

Owners' meetings unless the Owner provides written notice of his or her intention to do so, which notice is received by the Association no later than twenty-four (24) hours prior to the scheduled time and date for the meeting.

3.8 Quorum; Ballot Return.

A. Annual and Special Members Meetings. The quorum for the annual and special members' meetings shall be twenty percent (20%) of the voting interests of the entire membership of the Association, except that, if less than a quorum is attendance, and eighty percent (80%) of those in attendance vote to waive the quorum requirement, it is so waived. After a quorum has been established at a members' meeting, the subsequent withdrawal of members, so as to reduce the number of voting interests entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment. If voting rights of any Owner are suspended pursuant to the provisions of the Declaration or these Bylaws, the vote of such Owner(s) shall not be counted for the purpose of determining the presence of a quorum and the total number of authorized votes shall be reduced accordingly during such suspension.

B. Election Meeting. Not less than twenty percent (20%) of the eligible voters must cast ballots in order to have a valid election.

3.9 Adjournment of the Meeting. Any duly called meeting of the members may be adjourned to a later date by the vote required under Section 3.7 of these By-Laws, regardless of whether a quorum has been attained. A new notice of the adjourned meeting shall be given. Any business which might have been conducted at the meeting as originally scheduled may be conducted at the continued meeting.

3.10 Order of Business. The order of business at member's meetings shall be substantially as follows:

- A. Call to order by the President (or other Officer in the absence of the President)
- B. Election of chairman of the meeting
- C. Call of the roll or certification of quorum
- D. Proof of notice of meeting or waiver of notice
- E. Minutes of last members' meeting - read or waive reading
- F. Reports of Officers
- G. Reports of Committees
- H. Election of Directors (where appropriate)
- I. Unfinished Business

J. New Business

K. Adjournment

3.11 Minutes of Meetings. The minutes of all meetings of the membership shall be kept in a book available for inspection by members and/or their authorized representatives at any reasonable time. member(s) of the Association and their authorized representatives shall have the right to make handwritten notations from the minutes, and to receive photocopies of the Minutes at the cost of the member(s) concerned. The Board of Directors shall establish such cost, not to exceed the limitations imposed by law from time to time. Minutes shall be retained for a period of not less than seven (7) years after the date of the meeting.

3.12 Action by Members Without a Meeting. Owners may take action by written agreement without a meeting, as long as written or, as relevant, electronic notice is given to the Owners in the manner prescribed elsewhere in these By-Laws appropriate to the subject matter to be agreed on unless that notice is waived as provided in these By-Laws. The decision of a majority of the Owners, or a larger percentage vote as otherwise may be required by Florida Statutes or the Association Documents (the decision to be evidenced by written consent to be solicited in the notice), shall be binding on the membership, provided a quorum submits a response. The notice shall set forth a time period within which responses must be made by the members, which shall in no event be later than sixty (60) days from the date of the first written consent. This Section 3.12 shall not apply to the election of Directors.

Section 4. BOARD OF DIRECTORS. COMMITTEES.

The administration of the affairs of the Association shall be by a Board of Directors, with each Director having a fiduciary relationship with the Owners. All powers and duties granted to the Association by Law, as modified and explained in the Association Documents, shall be exercised by the Board, subject to approval or consent of the Owners only when such is specifically required. An Owner does not have the authority to act for the Association by reason of being an Owner.

4.1 Number and Terms of Service.

A. Number. The number of Directors which shall constitute the whole Board of Directors shall be comprised of no less than three (3) members and no more than seven (7) members; which number may be established by the Board of Directors from time to time. At each election meeting, the members shall elect as many Directors as there are regular terms of Directors expiring and other vacancies to be filled, and additional Directors if desired.

B. Terms. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the Members and subsequently until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided. There shall be no limitations on the number of times a member may run for re-election unless otherwise prohibited by Florida Statutes.

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

A. The election of directors shall be held at the annual members' meeting.

B. Nominations for Directors and additional directorships created at the meeting shall be made from the floor. A Member or the spouse of a Member may nominate himself or herself as a candidate for the Board at a meeting where the election is to be held.

C. The election shall be by written ballot (unless dispensed with by majority consent of the votes represented at the meeting) and decided by a plurality of the votes cast for each candidate. Each Dwelling Unit entitled to vote shall have a number of votes equal to the number of vacancies to be filled. No Dwelling Unit may cast more than one vote for one candidate. There shall be no cumulative voting.

D. Any election dispute between a Member and the Association must be submitted to mandatory binding arbitration with the Division in accordance with the Florida Statutes and the procedural rules adopted by the Division.

E. Provisos. Notwithstanding the foregoing to the contrary, the following shall apply:

i. An election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board to be filled. In that event, the Association shall announce the new Directors at the annual meeting, and all candidates take office as Directors immediately following the adjournment of the annual meeting.

ii. In the event that the membership fills vacancies after recall pursuant to Section 4.5 below, then the election of Directors to fill the vacancies shall be governed by the procedures set forth in the applicable Administrative Rules.

4.3 Resignation of Directors. A Director may resign at any time by delivering written notice to the Board of Directors or to the President or Secretary. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date, the vacancy may be filled by the Board before the effective date if it is provided that the successor does not take office until the effective date. A written resignation once tendered cannot be rescinded. Oral resignations shall not be considered effective.

4.4 Removal of Directors (Recall). Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose. Any or all Directors may be removed with or without cause by a majority of the voting interests, either by a written agreement or at any meeting called for that purpose.

A. By Written Agreement. If a proposed recall is requested by written agreement, a separate agreement is required for each Member of the Board being recalled. All requirements imposed by the Administrative Rules as amended from time to time shall be followed.

B. By Special Meeting. A special meeting for the purpose of recall may be called by ten percent (10%) of the voting interests. The proposed recall of more than one Member of the Board shall require a separate vote for each Member sought to be recalled. All requirements imposed by the Administrative Rules as amended from time to time shall be followed.

C. Re-election. Any Director recalled shall not be eligible for re-election until the next regular election meeting.

4.5 Vacancies on the Board.

A. A Vacancy Other than in Connection with Recall, If the office of any Director or Directors becomes vacant for any reason, other than recall, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors who shall hold office for the unexpired term of his predecessor in office. A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs but the new Director may not take office until the vacancy occurs.

B. Vacancy In Connection with Recall.

1. If a vacancy occurs on the Board as a result of a recall and less than a majority of the existing Board members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining Directors.

2. If vacancies occur on the Board as a result of a recall and a majority or more of the existing Board Members are removed, the vacancies shall be filled in accordance with applicable Administrative Rules.

3. The term "existing Board Members" refers to those existing on the date of the recall meeting or date of certification of a recall by written agreement, as applicable.

4. The conduct of the recall election as well as the operation of the Association during the period after a recall but prior to the recall election, shall be as set forth in applicable Administrative Rules.

4.6 Failure to Fill vacancies on the Board of Directors sufficient to constitute a quorum. Any member of the Association may apply to the Circuit Court of the County for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the member shall mail to the Association and post conspicuously on the Association Property, a notice describing the intended action, giving the Association time to fill the vacancies. If during such time the Association fails to fill the vacancies, the Member may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver and reasonable court costs and reasonable attorneys' fees incurred by the petitioner(s). The receiver shall have all the powers and duties of a duly constituted Board of Directors and shall serve as such until the Association fills vacancies on the Board sufficient to constitute a quorum.

4.7 Meetings of the Board of Directors.

A. Organizational Meeting. The organizational meeting of a new Board of Directors shall be held within ten (10) days after the election of new Directors, at such place and time as may be fixed by the Directors at the annual meeting at which they were elected.

B. Regular Meetings. Regular meetings of the Board of Directors may be held and such time and place as shall be determined, from time to time, by a majority of the Directors and must be held at a minimum of five (5) times per year.

C. Special Meetings. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of a majority of the Directors.

D. Adjourned Meetings. Any duly called meeting of the Board of Directors may be adjourned to a later date by a vote of the majority of the Directors present, regardless of whether a quorum has been attained. No notice of adjournment is required to be given to any Director who was not present at the time of adjournment. Any business which might have been conducted at the originally scheduled meeting may be conducted at its continuance.

E. Telephone Conference. The Board of Directors may permit any or all Directors to participate in a regular or special meeting by, or conduct the meetings through the use of a telephone conference so long as it complies with the requirements of the applicable Administrative Rules, as amended from time to time. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

4.8 Notice of Board Meetings; Agenda.

A. Notice to Directors. Notice of the time and place of meetings shall be given to each Directors, personally or by mail, telephone or electronic transmission (to Directors who consent in writing to electronic transmission), and shall be transmitted two (2) days prior to the meeting; notwithstanding the foregoing to the contrary, no notice need be given to Directors of a meeting if it is a regular meeting which is held on the same date of each month. Notice of all meetings shall state the agenda for the meeting, including any details of any (Annual or Special) Assessment which will be discussed, considered, or approved.

B. Waiver of Notice by Directors. Notice of a meeting of the Board of Directors need not be given to any Director who signs a waiver of notice either before or after the meeting. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened; except when a Director states, at the beginning of the meeting or promptly upon arrival at the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

C. Notice to Owners.

1. Posting. Notices of all Board meetings shall be posted conspicuously on the Association Property at least forty-eight (48) continuous hours in advance, except in an emergency.

2. Mail or Delivery. Written notice of any Board meeting at which non-emergency Special Assessments, or at which Rules and Regulations regarding use of the Units will be proposed, discussed, or approved shall be mailed, electronically transmitted (if given written consent by member), or delivered to the members not less fourteen (14) days prior to the Board meeting. Evidence of compliance with this fourteen (14) day notice requirement shall be made by an affidavit executed by the person providing the Notice and filed with the Official Records of the Association.

D. Agenda. The notice of any Board meeting shall identify all agenda items and when the annual Assessment shall be considered, the notice must state that an Annual Assessment will be considered.

4.9 Quorum and Voting.

A. Quorum. A quorum at a Board meeting shall be attained by the presence in person of a majority of the entire Board of Directors.

Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum has been attained shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Declaration or by applicable Statutes. Directors may not vote by proxy or by secret ballot at Board meetings, except that Directors may vote by secret ballot for the election of officers. This subsection also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of association funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community.

C. Presumption of Assent. A Director who is present at a meeting of the Board, inclusive of the President, shall be deemed to have voted in favor of any action taken, unless:

- i. He objects at the beginning of the meeting (or promptly upon his arrival) to holding it or transacting specified business at the meeting; or
- ii. He votes against the action taken or abstains due to a conflict of interest. An abstention for any other reason shall be considered an affirmative vote.

D. Agenda. No item not on the posted agenda may be taken up by the Board at a Board meeting unless same is an emergency item and the necessary vote is obtained as set forth in the Florida Statutes and Administrative Rule as amended from time to time. Such Vote must be ratified by the Board as provided for in the Florida Statutes and Administrative Rules as amended from time to time.

4.10 Owners Participating at Board Meetings. Meetings of the Board of Directors shall be open to all members to attend and observe. The right to attend Board meetings includes the right to speak with reference to all designated agenda items, subject to reasonable written Rules and Regulations adopted by the Board of Directors governing the frequency, duration and manner of Owners' statements. Any Owner may tape record or videotape meeting of the Board of Directors, subject to any applicable Administrative Rules, and written Rules and Regulations adopted by the Board of Directors. Notwithstanding the foregoing to the contrary, no Owner may videotape or tape record at any Board meeting unless the Owner provides written notice of his or her intention to do so, which notice is received by the Association no later than twenty-four (24) hours prior to the scheduled time and date for the meeting.

4.11 The Presiding Officer. Except as otherwise provided for by the Administrative Rules regarding a meeting for the recall of Directors, the President of the Association, or in his absence, the Vice-President, shall be the presiding officer at all meetings of the Board of Directors. If neither is present, the presiding officer shall be selected by majority vote of those Directors present.

4.12 Order of Business. The order of business at meetings of the Directors, as appropriate, shall be:

- A. Calling of roll
- B. Proof of notice of meeting or waiver of notice
- C. Reading and disposal of any unapproved minutes of Board meetings
- D. Reports of Officers and committees
- E. Election of Officers (if any)
- F. Unfinished business
- G. New business
- H. Adjournment

4.13 Joinder in Meeting by Approval of Minutes. A Director may join in the action of a meeting by signing and concurring in the minutes of that meeting. That concurrence, however, shall not constitute the presence of that Director for the purpose of determining a quorum.

4.14 Minutes of Meeting. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Members of the Association and/or their authorized representative(s) at any reasonable time. These individuals shall have the right to make written notations from the minutes, and to receive photocopies thereof at the cost of the Member concerned. The Board of Directors shall establish such cost, not to exceed the limitations imposed by law from time to time. Minutes shall be retained for a period of not less than seven (7) years after the date of the meeting.

4.15 Committees. The Board may, by resolution, create committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

Section 5. OFFICERS.

5.1 Officers - Required: Appointment; Removal; Resignation; Vacancies. The executive officers of the Association shall be a President, and a Vice-President, who shall be Directors, and a Treasurer and a Secretary, who need to be Directors, all of whom shall be elected annually by a majority vote of the entire Board. Any person except the President may hold more than one (1) office. The Board of Directors may, from time to time appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one Vice-President.

Any Officer may be removed with or without cause by vote of a majority of the entire Board at any Board meeting. An Officer shall not be absent for three consecutive meetings or shall be automatically deemed resigned. An Officer may resign at any time by delivering notice to the Association. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Association accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

5.2 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and Directors, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board are carried into effect. He shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors. He shall execute bonds, mortgages, and other Contracts requiring seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Association.

5.3 Vice-President. The Vice-President, in the absence or disability of the President, performs the duties and exercises the power of the President, and shall perform such other duties as the Board of Directors may prescribe. "Absence" or "disability" shall be viewed on a case by case, duty by duty basis, and as used herein, shall mean incapability of the President to effect a particular duty under question, incident to the office of the President.

5.4 Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of the members and shall cause all votes and the minutes of all proceedings to be recorded in a book or books to be kept for the purpose, and shall perform like duties for the standing committees and Executive Committee when required. He shall maintain an accurate and up-to-date roster of Owners and their addresses. He shall keep in safe custody the seal of the Association and, when authorized by the Board, affix the seal to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the Governing Documents. Any of the foregoing duties may be performed by the Assistant Secretary, if one has been designated.

5.5 Treasurer. The Treasurer shall have the responsibility for the custody of the Association funds and securities and the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Association. He shall cause all monies and other valuable effects to be deposited in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall oversee disbursement of the funds of the Association, making proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if any has been designated.

5.6 Special Duty. The Board shall from time to time delegate to one of its Officers, the responsibility for preparing minutes of Directors' and members' meetings and for authenticating records of the Association. Should or to the extent that the Board shall fail to delegate same, the responsibility shall lie with the Secretary.

5.7 Certification or Education Requirement.

A. Within ninety (90) days after being elected or appointed to the board, each director shall certify in writing to the Secretary of the Association that he or she has read the Association's Declaration of Covenants, Articles of Incorporation, Bylaws, and current written rules and policies; that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the Association's Members. Within 90 days after being elected or appointed to the Board, in lieu of such certification, the newly elected or appointed director may

submit a certificate of having satisfactorily completed the educational curriculum administered by a division-approved education provider within one (1) year before or ninety (90) days after the date of election or appointment.

B. The written certification or educational certificate is valid for the uninterrupted tenure of the Director on the Board. A director who does not timely file the written certification or educational certificate shall be suspended from the board until he or she complies with the requirement. The Board may temporarily fill the vacancy during the period of suspension.

C. The Association shall retain each director's written certification or educational certificate for inspected by the members for five (5) years after the director's election. However, the failure to have the written certification or educational certificate on file does not affect the validity of any board action.

Section 6. COMPENSATION OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS. Neither Directors, Officers, nor (statutory and non-statutory) committee members shall receive compensation for their services as Directors, Officer, or committee member (as applicable), unless compensation is approved by a majority of the voting interests of all Members of the Association, and if required, the persons are duly licensed as Community Association Managers. Nothing herein shall preclude the Board of Directors from employing a Director, Officer, or committee member for the management of the Association, or for any other service to be supplied by such Director, Officer, or committee member. Directors, Officers, and committee members shall be entitled to reimbursement for all actual and proper out-of-pocket expenses, relating to the proper discharge of their respective duties.

Section 7. FISCAL MATTERS. The provisions for fiscal management of the Association set forth in Section 7 of the Declaration shall be supplemented by the following provisions:

7.1 Annual Budget. The Board of Directors shall prepare an annual budget that sets out the annual operating expenses, determines the amount of Assessments payable by the Members to meet the expenses of the Association, and allocates and assesses such expenses among the Members in accordance with the provisions of the Declaration. The proposed budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications. To the extent required by the Administrative Rules, the annual budget shall include all estimated revenues and expenses for that year and the estimated surplus or deficient as of the end of the current year. Furthermore, the budget must set out separately all fees and charges paid for by the Association for recreational amenities, whether owned by the Association, the developer, or another person as well as any categories set forth in F.S. 720.303(6). The Board of Directors further has the power to amend (increase) the annual budget should same be necessary to pay for valid common expenses, or to amend (decrease) the annual budget should same be warranted, all at the discretion of the Board of Directors. The Association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. The copy must be provided to the Member within ten (10) business days after receipt of a written request from the Member.

7.2 Reserves.

A. Statutory Reserves for Capital Expenditures and Deferred Maintenance. In addition to annual operating expenses, the proposed budget must include reserve accounts for capital expenditures and deferred

maintenance for which the Association is responsible. The amount to be reserved shall be computed by a formula based upon the estimated life and replacement cost of each item, as more fully set forth in the Administrative Rules as amended from time to time. The Association shall be required to establish statutory reserve accounts for capital expenditures and deferred maintenance if the Developer imposed reserve accounts while under the Developers control, or if the majority of Owners voted at a duly convened meeting to establish reserve accounts. Once reserve accounts are established such reserves shall be fully funded unless a majority of the voting interests present in person or by proxy at a duly called meeting vote to fund no reserves or less than adequate reserves for a budget year.

B. Reserves Not Provided for or Limited. If the Association is responsible for capital improvements that may result in a Special Assessment if reserves are not provided, and the reserves are not provided for, each financial report for the preceding fiscal year required by Florida Statutes must contain the following statement in conspicuous type:

THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

If the budget of the Association does provide for funding accounts for deferred expenditures, including, but not limited to, funds for capital expenditure and deferred maintenance, but such accounts are not created or established pursuant to paragraph (d), each financial report for the preceding fiscal year required by Florida Statutes must also contain the following statement in conspicuous type:

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

7.3 Other Reserves. In addition to the reserves provided in Section 7.2 above, the Board may establish one or more additional reserve accounts for operating expense, repairs, minor improvements, deferred maintenance, or contingencies. The purpose of these is to provide financial stability and to avoid the need for Special Assessments on a frequent basis. The amount proposed to be reserved shall be shown in the proposed annual budget each year. These funds shall be spent for any purpose as promulgated by the Board from time to time.

7.4 Annual Assessments. Annual Assessments based on the adopted budget shall be paid in four (4) equal quarterly installments, in advance, due on the first day of each month of January, April, July, and October unless otherwise specified by the Board of Directors. Written notice of the Annual Assessment shall be provided to all Members prior to the commencement of each quarterly period or one notice of maintenance Assessments may be given for the entire fiscal year. Failure to send or receive such notice shall

not excuse the obligation to pay. If an annual budget for a new budget year has not been adopted at the time the first installment for that year is due, it shall be presumed that the amount of such installment is the same as the previous installment, and shall be continued at such rate until a budget is adopted and pro rata Assessments are calculated, at which time any overage or shortage calculated shall be added or subtracted from each Unit's next due installment. In the event that the annual budget is amended, the overage or shortage calculated shall be added or subtracted equally over the balance of the Annual Assessment installments due for the year.

7.5 Special Assessments. Special Assessments may be imposed by the Board of Directors when needed to meet any proper common expense(s) for which there is/are not sufficient funds in the annual budget and Annual Assessments. Special Assessments are due on the date(s) specified in the resolution of the Board approving such Assessment. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in the notice of the Special Assessment. In the event that the funds are used for the specific purpose or purposes, and excess funds remain, the excess funds will be retained by the Association as part of the common surplus, and may at the discretion of the Board, be returned to the Owners or applied as a credit toward future Assessments. However, if the funds are not used at all for specific purpose(s) stated in the notice, then those funds not so used, in the stated amount, shall be returned to the Owners.

7.6 Acceleration of Assessments. If any Annual or Special Assessment installment as to a Unit becomes more than thirty (30) days past due, the Association shall have the right to accelerate the due date of the entire unpaid balance of the Unit's Annual Assessment for that fiscal year and/or Special Assessment, as applicable and as provided in Section 7 of the Amended and Restated Declaration.

7.7 Depository. The Association shall maintain its accounts in such financial institutions or funds as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such person(s) as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities, and other similar investment vehicles.

7.8 Accounting Records and Financial Reporting. Within ninety (90) days after the end of the fiscal year, or annually on the date provided in the bylaws, the Association shall prepare and complete, or contract with a third party for the preparation and completion of, a financial report for the preceding fiscal year. Within twenty-one (21) days after the final financial report is completed by the Association or received from the third party, but not later than one hundred-twenty (120) days after the end of the fiscal year or other date as provided in the bylaws, the Association shall, within the time limits set forth in Florida Statutes, provide each Member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the Member.

A. The Association shall prepare or cause to be prepared a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements shall be based upon the Association's total annual revenues, as follows:

- i. An Association with total annual revenues of \$100,000 or more, but less than \$200,000, shall prepare compiled financial statements.

ii. An Association with total annual revenues of at least \$200,000, but less than \$400,000, shall prepare reviewed financial statements.

iii. An Association with total annual revenues of \$400,000 or more, shall prepare audited financial statements.

iv. An Association with total annual revenues of less than \$100,000 shall prepare a report of cash receipts and expenditures.

v. An Association in a community of fewer than fifty (50) parcels, regardless of the Association's annual revenues, may prepare a report of cash receipts and expenditures in lieu of financial statements required by paragraph "A" unless the Governing Documents provide otherwise.

B. A report of cash receipts and disbursement must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional, and management fees and expenses; taxes; costs for recreation facilities; expenses for refuse; collection and utility services; expenses for lawn care; costs for building maintenance and repair; insurance costs; administration and salary expenses; and reserves if maintained by the Association.

C. If twenty (20%) percent of the Members petition the board for a level of financial reporting higher than that which is required by this section the Association shall duly notice and hold a meeting of Members within thirty (30) days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the total voting interests of the Members, the Association shall prepare or cause to be prepared, shall amend the budget or adopt a Special Assessment to pay for the financial report regardless of any provision to the contrary, and shall provide within ninety (90) days of the meeting or the end of the fiscal year, whichever occurs later: (1) compiled, reviewed, or audited financial statements, if the Association is otherwise required to prepare a report of cash receipts and expenditures; (2) reviewed or audited financial statements, if the Association is otherwise required to prepare compiled financial statements; or (3) audited financial statements, if the Association is otherwise required to prepare reviewed financial statements.

D. If approved by a majority of the voting interests present at a properly called meeting of the Association, the Association may prepare or cause to be prepared: (1) a report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement; (2) a report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or (3) a report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

7.9 Other Official Records. In addition the minutes of the Board and Member meetings, the Association shall maintain each of the following items, when applicable, which constitute official records of the Association:

i. Copies of any plans, specifications, permits, and warranties related to improvements constructed on the Association's Common Areas or other property that the Association is obligated to maintain, repair, or replace.

ii. A copy of the Bylaws of the Association and any Amendments to the Bylaws.

iii. A copy of the Articles of Incorporation of the Association and of each Amendment thereto.

iv. A copy of the Declaration and a copy of each Amendment thereto.

v. A copy of the current Rules and Regulations of the Association.

vi. A current roster of all members and their mailing addresses and Dwelling Unit identifications, as well as the electronic mailing addresses and numbers designated by members for receiving notice by electronic transmission of those members consenting to receipt of notice by electronic transmission. The electronic mailing addresses and numbers provided by Owners to receive notice by electronic transmission shall be removed from the official records when consent to receive notice by electronic transmission is revoked.

vii. All of the Association's insurance policies or a copy thereof, which policies must be retained for at least seven (7) years.

viii. A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease, or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed must also be considered official records and must be kept for a period of one (1) year.

ix. A copy of the disclosure summary set forth in Florida Statutes Section 720.401(1).

x. All other written records of the Association not specifically included in the foregoing which are related to the operation of the Association.

7.10 Inspection and Copying. The official records shall be maintained within the state and must be open to inspection and available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. This subsection may be complied with by having a copy of the official records available for inspection or copying in the Project. If the Association has a photocopy machine available where the records are maintained, it must provide Members with copies on request during the inspection if the entire request is limited to no more than twenty-five (25) pages. The Association may adopt reasonable rules

governing the frequency, time, location, notice records to be inspected and manner of inspections, but may not impose a requirement that a Member demonstrate any proper purpose for the inspection, or state any reason for the inspection, or limit a Member's right to inspect records to less than one 8-hour business day per month. The Association may charge up to fifty (50) cents per page for copies made on the Association's photocopy machine. If the Association does not have a photocopy machine where the records are kept, or if the records requested to be copied exceed twenty-five (25) pages, the photocopies may be made by an outside vendor and the Association may charge the actual cost of copying. The Association shall maintain an adequate number of copies of the recorded Project Documents, to ensure their availability to Members and Prospective Members. Notwithstanding the foregoing, the following records should not be available or accessible to Members.

- i. Any record protected by the attorney client privilege or work product privilege;
- ii. Information obtained by the Association in connection with the approval of the lease, sale or other transfer of a Dwelling Unit;
- iii. Disciplinary, health, insurance, and personnel records of the Association's employees;
- iv. Medical records of Dwelling Unit Owners or residents in the Project.

7.9 Fiscal Year. The fiscal year for the Association shall begin on the first day of January of each year, unless changed by the Board of Directors.

Section 8. SYSTEM OF FINES FOR NON-COMPLIANCE

8.1 Authority and Scope. The Board of Directors may impose fines on any Owner and Unit for any violations of the Association Governing Documents and Rules and Regulations; as amended from time to time; and/or violations of the Law; by Owners or the Owners' tenant(s); and/or their family members, agent(s), guest(s), visitor(s), servant(s), etc.

8.2 Owner is Liable. Each and every such violation shall be the responsibility of and attributed to the Owner (and his Unit) regardless of whether the offending party is in fact the Owner or the Owner's tenant(s), or their family, agent(s), guest(s), visitor(s), servant(s), etc. As such, the Owner is responsible for the actions of the Owner's tenant(s) and family, agents(s), guest(s), visitor(s), servant(s), etc.

8.3 Written Notice Required; Contents. No fine shall be imposed against an Owner for any violation unless and until the offending party or parties which always shall include the Owner has/have been given not less than fourteen. (14) days' written notice of the following:

- A. The Owner responsible for the violation(s).
- B. The nature of the violation and the name(s) of the violator(s), if known.

C. The maximum amount of fine for each violation of the particular provision of the Governing Documents, and/or Rules and Regulations and/or law.

D. The date, time and place of a meeting, at which meeting the Committee referred to in Section 8.6 below shall determine whether the Owner (for himself/herself, family guests, servants, agents, etc., or other occupants of the Unit) and his Unit, is guilty of the Violation, and if so, shall impose a fine for the violation.

E. The Association shall be permitted to include in the Committee meeting notice, the following optional information: A hearing shall be scheduled at a specified day and time and at a specified time on each day thereafter; with each day that the violation continues constituting a separate violation resulting in a separate fine.

8.4 Level of Fines. A fine for each violation shall be in amount(s) of \$100.00 per day or as set by the Board of Directors not to exceed the maximum amount permitted by law as amended from time to time. This fine may be levied at the particular rate for each day that the violation occurs, on a running per day basis, so long as the Board's notice informs the offending party or parties of this possibility. The maximum total fine may exceed \$1000.00 unless prohibited by law.

8.5 Record Keeping. The Association shall maintain a file of all notices issued and findings of the Committee in order that a record of offenses and offenders may be kept.

8.6 Hearing Before Committee of Owners.

A. A party against whom the fine may be levied shall have a reasonable opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved, to have counsel present, and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association.

B. Failure of the Owner and the violator in question to appear at the scheduled hearing may result in the automatic vote by the Committee that the Owner is in violation, whereupon the fine may be levied without further advance warning.

C. The Committee shall be comprised of at least three (3) members appointed by the board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee.

8.7 Collection of the Fine. Once a fine is deemed to be due and owing, the Association shall provide written notice to the Owner of the fine due owing, with due date for payment.

8.8 Concurrent Remedies. An Association may suspend the voting rights of a parcel or member for the nonpayment of any fee, fine, or other monetary obligation due to the Association that is more than ninety (90) days delinquent and may suspend and revoke other rights as set forth in the Declaration as allowed by law, and as may be amended from time to time.

Section 9. PARLIAMENTARY RULES. ROBERTS' RULES OF ORDER (latest edition) shall

govern the conduct of meetings of the membership and Board of Directors when not in conflict with the Governing Documents or applicable Law.

Section 10. EMERGENCY BY-LAWS. The following shall apply to the extent not prohibited by Law.

10.1 The Board of Directors may adopt By-Laws to be effective only in an emergency defined in Section 10.5 below. The emergency By-Laws, which are subject to amendment or repeal by the Members, may make all provisions necessary for managing the Association during an emergency, including:

- A. Procedures for calling a meeting of the Board of Directors;
- B. Quorum requirements for the Meetings; and Designation of additional or substitute Directors.

10.2 The Board of Directors, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during such emergency any or all Officers or agents of the Association are for any reason rendered incapable of discharging their duties.

10.3 All provisions of the regular By-Laws consistent with the emergency By-Laws remain effective during the emergency. The emergency By-Laws are not effective after the emergency ends.

10.4 Corporate action taken in good faith in accordance with the emergency By-Laws:

- i. Binds the Association; and
- ii. May not be used to impose liability on a Director, officer, employee, or agent of the Association.

10.5 An emergency exists for purposes of this Section 10 if a quorum of the Association's Directors cannot readily be assembled because of some catastrophic event.

Section 11. AMENDMENT OF THE BY-LAWS. All amendments to the By-Laws shall be proposed and adopted in the following manner:

11.1 Proposal. Amendments to these By-Laws may be proposed by the Board of Directors or by written petition signed by Owners of one-fourth (1/4) of the Units.

11.2 Procedure; Notice, and Format. Upon any amendment or amendments to these By-Laws being proposed as provided above, the proposed amendment or amendments shall be submitted to a vote of the Members not later than the next annual meeting, unless insufficient time to give proper notice remains before that meeting. An amendment may be considered at the annual or a special Members' meeting. The full text of any amendment to the By-Laws shall be included in the notice of the Owners' meeting at which a proposed amendment is considered by the Owners. New words shall be inserted in the text by underlining and words to be deleted shall be lined through with hyphens; however, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but instead, a notation

must be inserted immediately preceding the proposed amendment is substantially the following language: "Substantial rewording of By-Laws. See provision __for present text."

11.3 Vote Required. Except as otherwise provided by Florida Law, or by specific provision of the Declaration, these By-Laws may be amended by concurrence of not less than a majority of the entire Board of Directors and not less than twenty (20%) percent of the voting interests of those Members present and voting at a Members' meeting. If less than a quorum is attendance, and eighty percent (80%) of those in attendance vote to waive the quorum requirement, it is so waived. If the amendments were proposed by a written petition signed by the Owners pursuant to Section 11.1 above, then the concurrence of the Board of Directors shall not be required.

11.4 Certificate Recording: Effective Date. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the By-Laws, which certificate shall be in the form required by law and shall be executed by any Officer of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of the County. The Certificate of Amendment shall, on the first page, state the book and page of the Public Records where the Declaration is recorded. The Certificate shall be executed with the formalities required for the recording of a deed.

11.5 Provisos. Notwithstanding any provision in the Governing Documents to the contrary:

A. No amendment shall operate to unlawfully discriminate against any Owner, Member, or Parcel.

B. An amendment to these By-Laws that adds, changes, or deletes a greater or lesser quorum or voting requirement must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirements then in effect or proposed to be adopted, whichever is greater.

C. Any emergency By-Laws adopted pursuant to Article 10 of these By-Laws may be adopted or amended by the vote of a majority of the entire Board of Directors at the time there is no emergency, or by a lesser vote as determined by the Board in the event of an emergency; such By-Laws need not be recorded, and shall become effective as resolved by the Board of Directors. This Section 11.5.C of the By-Laws shall not preclude the Members from amending or repealing such emergency By-Laws as provided in Sections 11.1 through 11.4 above. No emergency By-Laws amended or repealed by the Members shall be amended by the Board of Directors, without following the procedures set forth in Sections 11.1 through 11.4 above.

Section 12. MISCELLANEOUS.

12.1. Gender. Whenever the masculine or singular form of a pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

12.2. Severability. Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect.

12.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws and the Declaration of Covenants and Restricts or Articles of Incorporation, the provisions of the Declaration shall prevail over the provision of the Bylaws or Articles or as decided by the Board of Directors.