

**DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
PINE TRACE**

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DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR PINE TRACE

KNOW ALL MEN BY THESE PRESENTS, that this Declaration of Protective Covenants, Conditions and Restrictions for Pine Trace (the "DECLARATION"), is made and entered into as of the ____ day of _____, 2006, by KB Home Treasure Coast, LLC, a Delaware limited liability company, hereinafter referred to as the "DEVELOPER."

RECITALS

A. The DEVELOPER is the owner of the Property (as defined in Section 1) and desires to subdivide the Property in accordance with the Plat (as also defined in Section 1).

B. The DEVELOPER desires to provide for the preservation of the values and amenities in the community and for the maintenance of the open spaces and other common facilities; and, to this end, desires to subject the Property to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of the Property and each OWNER (as defined in Section 1) thereof.

C. The DEVELOPER has deemed it desirable for the efficient preservation of the values and amenities in the community to create an agency to which should be delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created.

D. The DEVELOPER has incorporated under the laws of the State of Florida, as a corporation not-for-profit, P TRACE PROPERTY OWNERS ASSOCIATION, INC., the purpose of which shall be to exercise the functions aforesaid.

DECLARATION

NOW, THEREFORE, the DEVELOPER declares that the Property shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

1 **DEFINITIONS.** Unless prohibited by the context in which they are used, the following words, when used in this DECLARATION, shall be defined as set out below:

1.1 **Articles.** "Articles" shall mean and refer to the Articles of Incorporation of the ASSOCIATION, as such Articles may be amended from time to time.

1.2 **Assessment.** "Assessment" shall mean and refer to those charges made by the ASSOCIATION from time to time against each Unit within the Property for the purposes set

forth herein, and shall include, but not be limited to Original and Annual Assessments for Common Expenses and Special Assessments for Capital Improvements.

1.3 **ASSOCIATION.** "ASSOCIATION" shall mean P TRACE PROPERTY OWNERS ASSOCIATION, INC., a Florida not-for-profit corporation. Copies of the Articles and Bylaws of the ASSOCIATION are attached to this DECLARATION as Exhibits "A" and "B", respectively.

1.4 **BOARD.** "BOARD" shall mean the Board of Directors of the ASSOCIATION.

1.5 **Bylaws.** "Bylaws" shall mean and refer to the Bylaws of the ASSOCIATION, as such Bylaws may be amended from time to time.

1.6 **Common Expenses.** "Common Expenses" shall mean and refer to all expenses incurred by the ASSOCIATION in connection with its ownership and/or maintenance of the Common Area and other obligations set forth herein, or as may be otherwise determined by the BOARD.

1.7 **Common Area.** "Common Area" or "Common Areas" shall mean and refer to those portions of the Property which are intended to be devoted to the common use and the enjoyment of the OWNERS, and occupants, in this DECLARATION, as well as the portion of the Property, less the Lots, and all personal property owned, leased by or dedicated to the ASSOCIATION for the common use and enjoyment of the OWNERS and occupants.

1.8 **Common Structural Elements.** "Common Structural Elements" shall mean certain elements, fixtures or parts contained in a "Building" (as defined in Section 6 hereof) which are structural elements of more than one Unit contained therein.

1.9 **Conservation Areas.** "Conservation Area" or "Conservation Areas" shall mean and refer to those portions of the Property designated as Conservation Areas on the Plat, or identified as Conservation Areas in any agreements between the United States Army Corps of Engineers and the DEVELOPER or the ASSOCIATION, in any permits issued to the DEVELOPER or the ASSOCIATION by the United States Army Corps of Engineers or any other governmental entity, or in any agreement between the DEVELOPER or the ASSOCIATION and any governmental entity. The ASSOCIATION has the obligation to maintain the Conservation Areas.

1.10 **County.** County shall refer to St. Lucie County, Florida.

1.11 **Covenants.** "Covenants" shall mean and refer to the covenants, restrictions, reservations, conditions, easements, charges and liens hereinafter set forth. All Covenants constitute "covenants running with the land" and shall run perpetually unless terminated or amended as provided herein, and shall be binding on all OWNERS.

1.12 **DECLARATION.** "DECLARATION" shall mean this instrument, DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR PINE TRACE, and all amendments or Supplements made to this instrument.

1.13 **DEVELOPER.** "DEVELOPER" shall mean KB Home Treasure Coast, LLC, a Delaware limited liability company, and its successors or assigns as designated in writing by the DEVELOPER.

1.14 **Drainage Easements.** "Drainage Easements" shall mean and refer to any private drainage areas set forth on the Plat and dedicated to the ASSOCIATION. The Drainage Easements shall be used for drainage and for storm water detention and retention to the extent approved by those governmental agencies having jurisdiction over the Drainage Easements. The Drainage Easements are a part of the Common Area and, except as limited herein, shall be for the common use, benefit and enjoyment of all OWNERS. The ASSOCIATION has the obligation to maintain the Drainage Easements.

1.15 **Dwelling Structure.** "Dwelling Structure" means a residential townhouse situated on a Lot, including all improvements associated with the townhouse on the Lot. Unless the context specifically provides otherwise, reference to the term "Dwelling Structure" shall not include use of the Lot.

1.16 **General Plan of Development.** "General Plan of Development" means that plan as approved by appropriate governmental agencies which shall represent the total general scheme and general uses of land in the Properties, as it may be amended from time to time.

1.17 **Governing Documents.** "Governing Documents" shall mean this DECLARATION, any Supplement to the DECLARATION, as the same may be amended from time to time and filed in the Public Records of St. Lucie County, Florida, as well as the Articles and Bylaws of the ASSOCIATION, as the same may be amended from time to time and maintained at the ASSOCIATION office. In the event of conflict or inconsistency among Governing Documents, to the extent permitted by law, this DECLARATION and any Supplement(s) to the DECLARATION, the Articles, and the Bylaws, in that order, shall control. One Governing Document's lack of a provision with respect to a matter for which provision is made in another Governing Document shall not be deemed a conflict or inconsistency between such Governing Documents.

1.18 **Guest.** "Guest" means any person who is not a member of the family occupying a Lot, and who is physically present in, or occupies the Lot at the invitation of the Owner or other legally permitted occupant, without requirement to contribute money, perform any services or provide any other consideration to the Owner or Lessee in connection with occupancy of the Lot. A permanent occupant of a Lot shall not be considered as a Guest. Furthermore, an Owner of a Lot shall never be considered a Guest on the Lot he owns, unless the Owner is visiting a Lessee on the Lot.

1.19 **Improvements.** "Improvements" shall mean and refer to all structures of any kind including, without limitation, any building, fence, wall, sign, paving, grating, parking and

building addition, alteration, screen enclosure, sewer, drain, disposal system, decorative building, recreational facility, landscaping, exterior lighting or landscape device or object.

1.20 **Institutional Mortgagee.** "Institutional Mortgagee" means the holder (or its assignee) of a mortgage against any of the Properties, including any Lot, which mortgagee is a bank, savings and loan association, mortgage company, insurance company, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, or any agency of the United States of America. The term also refers to any holder of a mortgage against a Lot which mortgage is guaranteed or insured by the Federal Housing Administration, the Veterans Administration, any agency of the United States of America, or by any other public or private corporation engaged in the business of guaranteeing or insuring residential mortgage loans, and their successors and assigns, and includes the DEVELOPER. for definitional purposes only, an Institutional Mortgagee shall also mean the holder of any mortgage executed by or in favor of DEVELOPER, whether or not such holder would otherwise be considered an Institutional Mortgagee. "Institutional First Mortgagee" means the foregoing, but is limited to the holder of a first mortgage.

1.21 **Lead Institutional Mortgagee.** "Lead Institutional Mortgagee" means that Institutional Mortgagee which, at the time a determination is made, holds first mortgages on more Lots in PINE TRACE than any other Institutional Mortgagee, such determination to be made by reference to the number of Lots encumbered, and not by the dollar amount of such mortgages.

1.22 **Lease.** "Lease" means the grant by an Owner of a temporary right of use of the Owner's Dwelling Structure and Lot for valuable consideration.

1.23 **Leasing.** "Leasing" for purposes of this subsection is defined as regular, exclusive occupancy of a Unit by any person, other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument.

1.24 **Lot.** "Lot" shall mean and refer to a Unit.

1.25 **MEMBER.** "MEMBER" shall mean and refer to all those OWNERS who are Members of the ASSOCIATION as provided in Section 3.1.

1.26 **OWNER.** "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit situated upon the Property but, notwithstanding any applicable theory of mortgage, shall not mean or refer to a mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

1.27 **Person.** "Person" shall mean and include an individual, corporation, governmental agency, business trust, estate, trust, partnership, association, sole proprietorship, joint venture, two or more persons having a joint or common interest, or any other legal entity.

1.28 **PINE TRACE.** "PINE TRACE" shall mean the real estate development located in St. Lucie County, Florida, developed by the DEVELOPER, which includes the Property and any additional real property to be added to the Property upon the recording of an appropriate Supplement(s) in the Public Records of St. Lucie County, Florida.

1.29 **Plat.** "Plat" shall mean the Plat of PINE TRACE as recorded in Plat Book 49, at page 5-9, of the Public Records of St. Lucie County, Florida.

1.30 **Property.** "Property" shall mean and refer to PINE TRACE, as per the Plat, which term may also include any additional real property that may be made subject to this DECLARATION upon the recording of an appropriate Supplement(s) in the Public Records of St. Lucie County, Florida.

1.31 **Resident.** "Resident" shall mean and refer to the legal occupant of any Unit. The term "Resident" shall include the OWNER of the Unit and any tenant, lessee or licensee of the OWNER.

1.32 **Surface Water Management Area.** "Surface Water Management Area" or "Surface Water Management Areas" shall mean and refer to those portions of the Property designated as Surface Water Management Areas on the Plat, or identified as Surface Water Management Areas in any agreements between the South Florida Water Management District and the DEVELOPER or the ASSOCIATION, in any permits issued to the DEVELOPER or the ASSOCIATION by the South Florida Water Management District or any other governmental entity, or in any agreement between the DEVELOPER or the ASSOCIATION and any governmental entity. The ASSOCIATION has the obligation to maintain the Surface Water Management Areas.

1.33 **Supplement.** "Supplement" shall mean a document and the exhibits thereto which when recorded in the Public Records of St. Lucie County, Florida, shall subject additional real property to the provisions of this DECLARATION.

1.34 **Unit.** "Unit" shall mean a residential unit intended as an abode for one family.

1.35 **Upland.** "Upland" or "Uplands" shall mean and refer to those portions of the Property designated as Uplands on the Plat, or identified as Uplands in any agreements between the South Florida Water Management District and the DEVELOPER or the ASSOCIATION, in any permits issued to the DEVELOPER or the ASSOCIATION by the South Florida Water Management District or any other governmental entity, or in any agreement between the DEVELOPER or the ASSOCIATION and any governmental entity. The ASSOCIATION has the obligation to maintain the Uplands.

1.36 **Utility Easement(s).** "Utility Easement(s)" shall mean and refer to the utility easement areas set forth on the Plat. The Utility Easement(s) may be used for utility purposes (including CATV) by any utility in compliance with such ordinances and regulations as may be adopted from time to time by St. Lucie County.

1.37 **Wetland.** "Wetland" or "Wetlands" shall mean and refer to those portions of the Property designated as Wetlands on the Plat, or identified as Wetlands in any agreements between the South Florida Water Management District and the DEVELOPER or the ASSOCIATION, in any permits issued to the DEVELOPER or the ASSOCIATION by the South Florida Water Management District or any other governmental entity, or in any agreement between the DEVELOPER or the ASSOCIATION and any governmental entity. The ASSOCIATION has the obligation to maintain the Wetlands.

2 PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS TO THE PROPERTY.

2.1 **Property Subject to DECLARATION.** The Property is, and shall be, held, transferred, sold, conveyed, and occupied subject to this DECLARATION.

2.2 **Other Additions to the Property.** The DEVELOPER reserves the right to add, or may cause to be added, other real property not now included within the Plat. Each commitment of additional property to this DECLARATION shall be made by a recitation to that effect in a Supplement which need be executed only by the DEVELOPER, and the owner of such real property if not the DEVELOPER but joined by the DEVELOPER, and does not require the execution or consent of the ASSOCIATION, or any OWNERS. The Supplement shall describe the real property which is being committed to this DECLARATION and made subject to the terms of this DECLARATION and shall contain such other terms and provisions as the DEVELOPER deems proper. Upon the recordation of a Supplement, such real property described therein shall be committed to the Covenants contained in this DECLARATION and shall be considered "Property" as fully as though originally designated herein as "Property".

2.3 **Mergers.** Upon a merger or consolidation of the ASSOCIATION with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the ASSOCIATION as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants established by this DECLARATION within the Property together with the covenants and restrictions established by Supplemental DECLARATION upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the Covenants within the Property, except as hereinafter provided.

3 MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.1 **Membership.** Except as is set forth in this Section 3.1, every Person who is a record titleholder of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the ASSOCIATION shall be a MEMBER of the ASSOCIATION, provided that any such Person which holds such interest merely as a security for the performance of any obligation shall not be a MEMBER.

3.2 **MEMBER's Voting Rights.** The votes of the MEMBERS shall be established and exercised as provided in the Articles and Bylaws.

3.3 **BOARD.** The ASSOCIATION shall be governed by the BOARD which shall be appointed, designated or elected, as the case may be, as follows:

3.3.1 The DEVELOPER shall have the right to appoint all members of the BOARD until the DEVELOPER holds less than ten percent (10%) of the total number of votes of MEMBERS as determined by the Articles.

3.3.2 After the DEVELOPER no longer has the right to appoint all members of the BOARD under subsection 3.3.1 of this Section, or earlier if the DEVELOPER so elects, then, and only then, shall any member of the BOARD be elected by the MEMBERS of the ASSOCIATION.

3.3.3 A member of the BOARD may be removed and vacancies on the BOARD shall be filled in the manner provided by the Bylaws. However, any member of the BOARD appointed by the DEVELOPER may only be removed by the DEVELOPER, and any vacancy on the BOARD of a member appointed by the DEVELOPER shall be filled by the DEVELOPER.

4 **EASEMENTS AND PROPERTY RIGHTS IN THE COMMON AREA**

4.1 **MEMBERS' Easement of Enjoyment.** Subject to the provisions of Section 4.3 and Section 4.4, every MEMBER shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every Lot.

4.2 **Title to Common Area.** Title to the Common Areas shall be vested in the ASSOCIATION which shall hold said property for the benefit and use of the OWNERS within PINE TRACE. The ASSOCIATION shall be responsible for ensuring the proper management, maintenance and operation of the Common Areas and all improvements thereon, and for the payment of all property taxes and other assessments which are liens against the Common Areas, from and after the date of recordation of this DECLARATION.

4.3 **Extent of MEMBERS' Easements.** The rights and easements of enjoyment created hereby shall be subject to the following:

4.3.1 the right of the DEVELOPER and of the ASSOCIATION, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and in aid thereof; and

4.3.2 the right of the ASSOCIATION to take such steps as are reasonably necessary to protect the Common Area against foreclosure; and

4.3.3 the right of the ASSOCIATION to charge reasonable admission and other fees for the use of the Common Area;

4.3.4 dedications to any public agency, authority or utility as set forth on the Plat; and

4.3.5 the right of the ASSOCIATION to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the MEMBERS, provided, however, that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by MEMBERS entitled to cast two-thirds (2/3) of the votes irrespective of class of membership has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the proposed agreement and action thereunder is sent to every MEMBER at least ninety (90) days in advance of any action taken.

4.4 **Easements.**

4.4.1 **Utility Service and Drainage Easements.** In addition to that shown on the Plat, there is hereby created a blanket easement upon, across, over, through and under the Property for the installation, replacement, repair and maintenance of all utility and service lines and systems, and irrigation including but not limited to electric, gas, water, sewer, telephone, electric, cable television, security, and surveillance or communication lines and systems, and irrigation. By virtue of this easement it shall be expressly permissible for the DEVELOPER or the providing utility or service company to install and maintain facilities and equipment on the Property, to excavate for such purposes and to affix and maintain wires, circuits, and conduits on the Units and on, in and under the roofs and exterior walls of the Units, providing the disturbed areas are restored to the condition in which they were found and that an easement does not prevent or unreasonably interfere with the use of the Units. Except as otherwise provided below, no sewer, electrical lines, water lines, or other utility service lines or facilities for such utilities and no cable or communication lines and systems may be installed or relocated on the Property except as are approved by the DEVELOPER. The DEVELOPER may also transfer title to utility-related equipment, facilities or material, and to take any other action to satisfy the requirements of any utility company or governmental agency to which any such utility-related equipment, facilities or material are to be so transferred. Utility as referred to herein means a public or private utility. This power to create easements shall also include the power to modify or relocate easements which are created.

Once the DEVELOPER closes upon the sale of the last Unit in the Property, the powers vested in the DEVELOPER shall terminate, and shall then vest in the ASSOCIATION. Such powers shall be exercised by the BOARD in its reasonable discretion without the need for joinder of any OWNER.

4.5 **Maintenance Easement in Favor of the DEVELOPER and ASSOCIATION.** There is hereby reserved to the DEVELOPER and to the ASSOCIATION the following easements:

4.5.1 an easement over the Common Area for the ASSOCIATION's maintenance obligations pursuant to this DECLARATION.

4.5.2 an easement over each Lot for the purpose of maintenance of Common Structural Elements, for mowing, and for landscape maintenance and for irrigation system maintenance.

4.6 **Encroachments.** If any Unit encroaches upon any of the Common Area for any reason other than the intentional act of an OWNER, or if any Common Area encroaches upon any Unit, then an easement shall exist to the extent of that encroachment as long as the encroachment exists.

4.7 **Ingress and Egress.** A non-exclusive easement shall exist in favor of each OWNER and occupant, their respective guests, tenants, licensees and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portions of the Common Area as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portions of the Common Area as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways.

4.8 **Easement of Enjoyment to Common Area.** Every OWNER has a right and easement of enjoyment of the Common Area, subject to any limitations in this DECLARATION and reasonable Rules and Regulations.

5 **COVENANT FOR MAINTENANCE ASSESSMENTS.**

5.1 **Creation of the Lien and Personal Obligation for Assessments.** Each OWNER of any Unit by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, hereby covenants and agrees to pay to the ASSOCIATION: (1) Quarterly Assessments for Common Expenses; (2) Special Assessments for Capital Improvements; and (3) Original Assessment for Working Capital, such Assessments to be fixed, established, and collected from time to time as hereinafter provided. The Original, Quarterly and Special Assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Unit against which each such Assessment is made. Each such Assessment, together with such interest thereon and cost of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who was the OWNER of such Lot at the time when the Assessment fell due.

5.2 **Purpose of Assessments.** The Assessments levied by the ASSOCIATION shall be used exclusively for the purpose of the improvement and maintenance of properties, services, and facilities which are devoted to the purpose and related to the use and enjoyment of the Common Area and of the Units situated upon the Property, including, but not limited to:

5.2.1 Payment of operating expenses of the ASSOCIATION; including, without limitation, those incorporation or start-up expenses necessary to form and otherwise organize the ASSOCIATION and to create this DECLARATION;

5.2.2 Construction and improvement of the Common Area;

5.2.3 Management, maintenance, improvement and beautification of the Common Area, pool areas, recreation areas, including Surface Water Management Areas, Wetlands and Conservation Areas;

5.2.4 Garbage collection and trash and rubbish removal but only when and to the extent specifically authorized by the ASSOCIATION;

5.2.5 Such insurance as the Board, in its business judgment, determines advisable, which may include, without limitation, flood and wind insurance and liability insurance.

5.2.6 Repayment of deficits previously incurred by the ASSOCIATION (or the DEVELOPER), if any, in making capital improvements to or upon the Common Area, and/or in furnishing the services and facilities provided herein to or for the OWNERS and the MEMBERS of the ASSOCIATION;

5.2.7 Providing police protection and/or night watchmen, but only when and to the extent specifically authorized by the ASSOCIATION;

5.2.8 Doing any other thing necessary or desirable, in the judgment of the ASSOCIATION, to keep the Property neat and attractive or to preserve or enhance the value of the Property, or to eliminate fire, health or safety hazards, or which, in the judgment of the ASSOCIATION, may be of general benefit to the OWNERS and/or Residents of lands included in the Property;

5.2.9 Repayment of funds and interest thereon, borrowed by the ASSOCIATION; and

5.2.10 Maintenance and repair of easements shown on any recorded subdivision plat.

5.2.11 The ASSOCIATION will provide lawn maintenance for all of the Common Areas and all of the Lots in PINE TRACE. Such maintenance will include periodic mowing and edging and other services determined, from time to time, by the BOARD. Such services may include, but shall not be limited to, fertilization, pesticide application, mulching, tree pruning and shrubbery trimming. It is anticipated the ASSOCIATION will contract with independent third party landscape maintenance companies to provide service in accordance with this Section.

5.2.12 Any and all expenses necessary to: (i) maintain and preserve the Common Area; (ii) maintain, repair and replace the Common Structural Elements; (iii) keep, maintain, operate, repair and replace any and all buildings, improvements, personal property and furniture owned by the ASSOCIATION, and fixtures and equipment upon the Common Area in a manner consistent with the development of the Property and in accordance with the covenants and

restrictions contained herein and in conformity with all applicable federal, state, county or municipal laws, statutes, ordinances, orders, rulings and regulations; and (iv) maintain and repair the portions of the Property which are the responsibility of the ASSOCIATION, including, without limitation, any entrance sign(s) placed by DEVELOPER on the Common Area.

5.3 Quarterly Assessments.

5.3.1 **Quarterly Assessment.** Until changed by the BOARD in accordance with the terms hereof, the Quarterly Assessment shall be _____ and No/100 Dollars (\$_____) per Lot, payable quarterly, in advance, on January 1, April 1, July 1, and October 1 of each year. This Quarterly Assessment shall be prorated in the year of initial purchase of the Lot. The Quarterly Assessment shall be paid directly to the ASSOCIATION to be held in accordance with the above provisions. The DEVELOPER shall not be required to pay Quarterly Assessments for Units owned by the DEVELOPER; provided, however, that, in accordance with Section 720.308, Florida Statutes, DEVELOPER shall be obligated for any operating expenses incurred that exceed the assessments received from the OWNERS and other income of the ASSOCIATION. Each OWNER shall be responsible for a fractional amount of the total amount of the Common Expenses, Special Assessments and Reserves, with the fractional amount for each Unit being determined by dividing one by the total number of Units in PINE TRACE.

5.3.2 **Adjustment to Quarterly Assessment.** Prior to the beginning of each fiscal year, the BOARD shall adopt a budget for such fiscal year which shall estimate all of the Common Expenses to be incurred by the ASSOCIATION during the fiscal year. The total Common Expenses shall be divided by the number of Units to establish the Quarterly Assessment for Common Expenses per Unit. The ASSOCIATION shall then promptly notify all OWNERS in writing of the amount of the Quarterly Assessment for Common Expenses for each Unit. From time to time during the fiscal year, the BOARD may revise the budget for the fiscal year. Pursuant to the revised budget the BOARD may, upon written notice to the OWNERS, change the amount, frequency and/or due dates of the Quarterly Assessments for Common Expenses for each Unit. If the expenditure of funds is required by the ASSOCIATION in addition to funds produced by the Quarterly Assessments for Common Expenses, the BOARD may make Special Assessments for Common Expenses, which shall be levied in the same manner as provided for regular Quarterly Assessments for Common Expenses and shall be payable in the manner determined by the BOARD as stated in the notice of any Special Assessment for Common Expenses.

5.4 Special Assessments for Capital Improvements.

5.4.1 In addition to the Assessments for Common Expenses authorized by Section 5.3 hereof, the BOARD may levy in any assessment year a Special Assessment for Capital Improvements, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto.

5.4.2 The BOARD may also levy Special Assessments pursuant to Section 6 hereof for the maintenance, repair or replacement of Common Structural Elements.

5.5 **Working Capital.** A contribution shall be made by or on behalf of the OWNERS to the working capital of the ASSOCIATION in an amount to be determined from time to time by the BOARD upon every initial and subsequent transfer of record title to a Lot (i.e. an initial sale or resale). The capital contribution shall be fixed by the BOARD. The DEVELOPER, its parent, subsidiaries, affiliates and assigns, shall be exempt from payment of the contribution required by this section. The capital contribution required by this Section shall constitute an assessment against the Lots and shall be subject to the same lien rights and other rights of collection applicable to other Assessments under this Section 5.

5.6 **Certificate of Payment.** The ASSOCIATION shall upon demand at any time, furnish to any OWNER liable for any Assessment a certificate in writing signed by an officer of the ASSOCIATION, setting forth whether the Assessment has been paid. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

5.7 **Payment of Assessments for Common Expenses.** Each MEMBER shall be required to and shall pay to the ASSOCIATION an amount equal to the Assessment, or installment, for each Unit within the Property then owned by and/or under the jurisdiction of such OWNER on or before the date each Assessment, or installment, is due. In the event any Assessments are made payable in equal periodic payments as provided in the notice from the ASSOCIATION, such periodic payments shall automatically continue to be due and payable in the same amount and frequency as indicated in the notice, unless and/or until: (1) the notice specifically provides that the periodic payments will terminate upon the occurrence of a specified event or the payment of a specified amount; or (2) the ASSOCIATION notifies the OWNER in writing of a change in the amount and/or frequency of the periodic payments. Notwithstanding the foregoing, in no event shall any Assessment payable by any OWNER be due less than ten (10) days from the date of the notification of such Assessment.

5.8 **Assessments for Common Expenses For Units Owned by the DEVELOPER.** Notwithstanding anything contained in this Section to the contrary, the DEVELOPER shall not be required to pay Assessments for any Units owned by the DEVELOPER; provided, however, that, in accordance with Section 720.308, Florida Statutes, DEVELOPER shall be obligated for any operating expenses incurred that exceed the assessments received from the OWNERS and other income of the ASSOCIATION. DEVELOPER may elect to make a loan to the ASSOCIATION to assist the ASSOCIATION with its financial needs. In such event, the ASSOCIATION shall be required to repay the DEVELOPER the full loan amount, plus a reasonable interest rate, within a reasonable period of time.

5.9 **Monetary Defaults and Collection of Assessments.**

5.9.1 **Interest.** If any OWNER is in default in the payment of any Assessment for more than ten (10) days after same is due, or in the payment of any other monies owed to the ASSOCIATION for a period of more than ten (10) days after written demand by the ASSOCIATION, the ASSOCIATION may charge such OWNER interest at the highest rate

permitted by the laws of Florida, on the amount owed to the ASSOCIATION. Such interest shall accrue from the due date of the Assessment, or the monies owed.

5.9.2 Acceleration of Assessments. If any OWNER is in default in the payment of any Assessment or any other monies owed to the ASSOCIATION for more than ten (10) days after written demand by the ASSOCIATION, the ASSOCIATION shall have the right to accelerate and require such defaulting OWNER to pay to the ASSOCIATION Assessments for Common Expenses for the next twelve (12) month period, based upon the then existing amount and frequency of Assessments for Common Expenses. In the event of such acceleration, the defaulting OWNER shall continue to be liable for any increases in the regular Assessments for Common Expenses, for all Special Assessments, and/or all other Assessments and monies payable to the ASSOCIATION.

5.9.3 Collection. In the event any OWNER fails to pay any Assessment, Special Assessment or other monies due to the ASSOCIATION within ten (10) days of the date when due, the ASSOCIATION may take any action deemed necessary in order to collect such Assessments, Special Assessments or monies including, but not limited to, retaining the services of a collection agency or attorney to collect such Assessments, Special Assessments or monies, initiating legal proceedings for the collection of such Assessments, Special Assessments or monies, recording a Claim of Lien as hereinafter provided, and foreclosing same in the same fashion as mortgage liens are foreclosed, or any other appropriate action. The OWNER shall be liable to the ASSOCIATION for all costs and expenses incurred by the ASSOCIATION incident to the collection of any Assessment, Special Assessment or other monies owed to it, and the enforcement and/or foreclosure of any lien for same, including, but not limited to, reasonable attorneys' fees, and attorneys' fees and costs incurred on the appeal of any lower court decision, reasonable administrative fees of the DEVELOPER and/or the ASSOCIATION, and all sums paid by the ASSOCIATION for taxes and on account of any mortgage lien and encumbrance in order to preserve and protect the ASSOCIATION's lien. The ASSOCIATION shall have the right to bid in the foreclosure sale of any lien foreclosed by it for the payment of any Assessments, Special Assessments or monies owed to it; and if the ASSOCIATION becomes the OWNER of any Unit by reason of such foreclosure, it shall offer such Unit for sale within a reasonable time and shall deduct from the proceeds of such sale all Assessments, Special Assessments or monies due it. All payments received by the ASSOCIATION on account of any Assessments, Special Assessments or monies owed to it by any OWNER shall be first applied to payments and expenses incurred by the ASSOCIATION, then to interest, then to any unpaid Assessments, Special Assessments or monies owed to the ASSOCIATION in the inverse order that the same were due.

5.9.4 Lien for Assessment, Special Assessment and Monies Owed to ASSOCIATION. The ASSOCIATION shall have a lien on all Property owned by an OWNER for any unpaid Assessments (including any Assessments which are accelerated pursuant to this DECLARATION), Special Assessments or other monies owed to the ASSOCIATION by such OWNER, and for interest, reasonable attorneys' fees incurred by the ASSOCIATION incident to the collection of the Assessments, Special Assessments and other monies, or enforcement of the lien, for reasonable administrative fees incurred by the DEVELOPER and/or the ASSOCIATION, and for all sums advanced and paid by the ASSOCIATION for taxes and on

account of superior mortgages, liens or encumbrances in order to protect and preserve the ASSOCIATION's lien. To give public notice of the unpaid Assessment, Special Assessment or other monies owed, the ASSOCIATION may record a Claim of Lien in the Public Records of St. Lucie County, Florida, stating the description of the Unit(s), and name of the OWNER, the amount then due, and the due dates. The lien is in effect until all sums secured by it (including sums which became due after the recording of the Claim of Lien) have been fully paid. The Claim of Lien must be signed and acknowledged by an officer or agent of the ASSOCIATION. Upon payment in full of all sums secured by the lien, the person making the payment is entitled to a satisfaction of the lien.

5.9.5 Transfer of a Unit after Assessment. The ASSOCIATION's lien shall not be affected by the sale or transfer of any Unit. In the event of any such sale or transfer, both the new OWNER and the prior OWNER shall be jointly and severally liable for all Assessments, Special Assessments, interest, and other costs and expenses owed to the ASSOCIATION which are attributable to any Unit purchased by or transferred to such new OWNER. A new OWNER by accepting a Deed for the Unit expressly agrees to the provisions of this section.

5.9.6 Subordination of the Lien to Mortgages. The lien of the ASSOCIATION for Assessments or other monies shall be subordinate and inferior to the lien of any first mortgage in favor of an Institutional Lender recorded prior to the recording of a Claim of Lien by the ASSOCIATION. For purposes of this DECLARATION, "Institutional Lender" shall mean and refer to the DEVELOPER, a bank, savings bank, savings and loan association, insurance company, real estate investment trust, or any other recognized lending institution. If the ASSOCIATION's lien or its rights to any lien for any such Assessments, Special Assessments, interest, expenses or other monies owed to the ASSOCIATION by any OWNER is extinguished by foreclosure of a mortgage held by an Institutional Lender, such sums shall thereafter be Common Expenses, collectible from all OWNERS including such acquirer, and its successors and assigns.

5.10 Certificate as to Unpaid Assessments or Default. Upon request by any OWNER, or an Institutional Lender holding a mortgage encumbering any Unit, the ASSOCIATION shall execute and deliver a written certificate as to whether or not such OWNER is in default with respect to the payment of any Assessments, Special Assessments or any monies owed in accordance with the terms of this DECLARATION.

5.11 Exempt Property. The following property subject to this DECLARATION shall be exempted from the Assessments, charges and liens created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; (b) all Common Areas; and all properties exempted from taxation by the laws of the State of Florida, upon the terms and to the extent of such legal exemption.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from Assessments, charges or liens.

6 COMMON STRUCTURAL ELEMENTS.

6.1 **Common Structural Elements.** Each building containing Townhouse Units ("Building") shall contain Common Structural Elements which include, but are not limited to, the following:

6.1.1 All utility lines, ducts, conduits, pipes, wires and other utility fixtures and appurtenances which are located on or within the Building and which directly or indirectly in any way service more than one (1) Unit in the Building.

6.1.2 All division walls ("Party Walls") between two (2) Units located upon a lot line between two (2) Units. A division wall is found to be not on a lot line shall not preclude that division wall from being a Party Wall. The OWNERS of the Units adjacent to a Party Wall shall own such Party Wall as tenants in common.

6.1.3 The entire roof of the Building, any and all roof support structures, and any and all appurtenances to such roof and roof support structures, including, without limitation, the roof covering, roof trim and roof drainage fixtures, all of which are collectively referred to herein as the "Roofing".

6.1.4 Any and all walls or columns necessary to support the roof structure, all of which are collectively referred to herein as "Bearing Walls."

6.1.5 Any and all siding, finish, trim, exterior sheathings and other exterior materials and appurtenances on the exterior of the Building, all of which are collectively referred to herein as the "Exterior Finish."

6.1.6 The entire concrete floor slab, or wood floor system if utilized in lieu thereof, and all foundational and support structures and appurtenances thereto, all of which are collectively referred to as the "Flooring."

6.1.7 The walls (other than Party Walls) or fences erected or which may be erected along the lot lines and all foundational and support structures with respect thereto.

6.2 **Encroachments.** Any Common Structural Elements, or parts thereof, extending beyond a Unit or into the Common Area, shall not be deemed to violate the provisions of this DECLARATION, and such easements as may be necessary to accommodate and permit the Common Structural Elements as same shall be constructed are hereby imposed.

6.3 **Repair and/or Replacement.** Notwithstanding any provision in this DECLARATION to the contrary, in the event any Common Structural Element or part thereof located within a Unit requires maintenance, repair or replacement and the Board determines that the necessity for such maintenance, repair or replacement was not due to any act or failure to act on the part of the OWNER of the Unit in question and the cost of such maintenance, repair or replacement would result in an inequitable and unfair burden upon any particular Unit, then upon such determination by the BOARD, the cost of such maintenance, repair or replacement shall be

determined to be the subject of a Special Assessment and shared equally by all of the Units comprising the Building to the extent that such cost is not covered by Homeowners Insurance.

7 **ENFORCEMENT OF NONMONETARY DEFAULTS.**

7.1 **Nonmonetary Defaults.** In the event of a violation by any MEMBER or OWNER (other than the nonpayment of any Assessment, Special Assessment or other monies) of any of the provisions of this DECLARATION, or the Governing Documents, the ASSOCIATION shall notify the MEMBER or OWNER of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after the receipt of such written notice, or if the violation is not capable of being cured within such seven (7) day period, if the MEMBER or OWNER fails to commence and diligently proceed to completely cure as soon as practical, the ASSOCIATION may, at its option:

7.1.1 **Specific Performance.** Commence an action to enforce the performance on the part of the MEMBER or OWNER, or for such equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

7.1.2 **Damages.** Commence an action to recover damages; and/or

7.1.3 **Corrective Action.** Take any and all action reasonably necessary to correct such violation, which action may include, but is not limited to, removing any Improvement or performing any maintenance required to be performed by this DECLARATION, including the right to enter upon the Unit to make such corrections or modifications as are necessary, or remove anything in violation of the provisions of this DECLARATION.

7.1.4 **Expenses.** All expenses incurred by the ASSOCIATION in connection with the correction of any violation, or the commencement of any action against any OWNER, including administrative fees and costs and reasonable attorneys' fees and costs, and attorneys' fees and costs incurred on the appeal of any lower court decision, shall be a Special Assessment assessed against the applicable OWNER, and shall be due upon written demand by the ASSOCIATION and collectible as any other Special Assessment under this Section or Section 5.

7.2 **No Waiver.** The failure of the ASSOCIATION to enforce any right, provision, covenant or condition which may be granted by this DECLARATION or the Governing Documents shall not constitute a waiver of the right of the ASSOCIATION to enforce such right, provisions, covenant or condition in the future.

7.3 **Rights Cumulative.** All rights, remedies and privileges granted to the ASSOCIATION pursuant to any terms, provisions, covenants or conditions of this DECLARATION or the Governing Documents shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the ASSOCIATION thus exercising the same from executing such additional remedies, rights or privileges as may be granted or as it might have by law.

7.4 Enforcement By or Against Other Persons. In addition to the foregoing, this DECLARATION may be enforced by the DEVELOPER, or 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 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. In addition to the foregoing, any OWNER shall have the right to bring an action to enforce this DECLARATION against any Person violating or attempting to violate any provision herein, to restrain such violation or to require compliance with the provisions contained herein, but no OWNER shall be entitled to recover damages or to enforce any lien created herein as a result of a violation or failure to comply with the provisions contained herein by any Person. The prevailing party in any such action shall be entitled to recover its reasonable attorneys' fees and costs, including reasonable attorneys' fees and costs incurred on the appeal of any lower court decision.

7.5 Certificate as to Default. Upon request by any MEMBER, or OWNER, or an Institutional Lender holding a mortgage encumbering any Unit, the ASSOCIATION shall execute and deliver a written certificate as to whether or not such MEMBER or OWNER is in default with respect to compliance with the terms and provisions of this DECLARATION.

7.6 Maintenance

7.6.1 Easement. DEVELOPER hereby grants to the ASSOCIATION and its successors and assigns an easement for ingress and egress over the Property for the purpose fulfilling its duties of maintenance and/or repair obligations in accordance with the provisions hereof.

7.6.2 ASSOCIATION Responsibility. The ASSOCIATION shall maintain, repair and replace the following portion of the Lots within PINE TRACE:

7.6.2.1 All landscaping installed by the DEVELOPER, including periodic lawn mowing.

7.6.2.2 All irrigation systems, installed by the DEVELOPER, including all sprinkler heads, lines and pumps.

7.6.2.3 All roofs, soffits and fascia.

7.6.2.4 Painting or staining any outside or exterior portion of the initial residence constructed on the Lot, including all approved alterations.

Any disagreements concerning the scope of ASSOCIATION's maintenance responsibility or its performance thereof shall be resolved by the BOARD.

7.6.3 Management. The ASSOCIATION may contract with any person or management company for the purposes of carrying out the maintenance services and other obligations of the ASSOCIATION provided for in this DECLARATION.

7.6.4 Common Expenses. The cost of all of the maintenance, repairs and replacements described herein (including electricity for the irrigation system) shall be a Common Expense, provided that each OWNER shall be subject to a Special Assessment for any additional costs or expenses due to their negligence or willful misconduct.

7.6.5 OWNER Responsibilities. The OWNERS shall be responsible for the following:

7.6.5.1 Maintenance of light bulbs in external fixtures controlled from inside the units.

7.6.5.2 Maintenance of patio furniture and landscaping.

7.6.5.3 Cleaning of exterior windows.

7.6.5.4 Installation of hurricane protection.

8 INDEMNIFICATION.

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

8.1.1 To the extent that a member of the BOARD, Officer, employee or agent of the ASSOCIATION is entitled to indemnification by the ASSOCIATION in accordance with

this Section, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

8.1.2 Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the ASSOCIATION in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the member of the BOARD, Officer, employee or agent of the ASSOCIATION to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the ASSOCIATION as authorized in this Section.

8.1.3 The indemnification provided by this Section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any Bylaw, agreement, vote of MEMBERS or otherwise. As to action taken in an official capacity while holding office, the indemnification provided by this Section shall continue as to a Person who has ceased to be a member of the BOARD, Officer, employee or agent of the ASSOCIATION, and shall inure to the benefit of the heirs, executors and administrators of such a Person.

8.1.4 The ASSOCIATION shall have the power to purchase and maintain insurance on behalf of any Person who is or was a member of the BOARD, Officer, employee or agent of the ASSOCIATION, or is or was serving at the request of the ASSOCIATION as a member of the BOARD, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, as arising out of his status as such, whether or not the ASSOCIATION would have the power to indemnify him against such liability under the provisions of this Section.

9 **RESTRICTIVE COVENANTS.** The Property shall be subject to the following Restrictions, reservations and conditions, which shall be binding upon the DEVELOPER and upon each and every OWNER who shall acquire hereafter a Lot or any portion of the Property, and shall be binding upon their respective heirs, personal representatives, successors and assigns.

9.1 **Occupancy of Lots.** Each Lot shall be occupied by OWNERS and tenants and their family members and guests and employees, as a residence and for no other purpose, subject to any other provision in this DECLARATION and in the Rules and Regulations relating to use of the Lot.

9.2 **Age.** There is no age restriction in PINE TRACE.

9.3 **Clothes Drying Areas.** No portion of the Property shall be used as a drying or hanging area for laundry of any kind unless approved in writing by the DEVELOPER or the ASSOCIATION.

9.4 **Antennas, Aerials, Discs and Flagpoles.** No outside antennas, antenna poles, antenna masts, satellite television reception devices, electronic devices, antenna towers or citizen band (CB) or amateur band (ham) antennas shall be permitted except as approved in writing by

the ASSOCIATION. A flagpole for display of the American flag or any other flag shall be permitted only if first approved in writing by the ASSOCIATION, both as to its design, height, location and type of flag. No flagpole shall be used as an antenna.

9.5 **Litter**. In order to preserve the beauty of the Property, no garbage, trash, refuse or rubbish shall be deposited, dumped or kept upon any part of the Property except in closed containers, dumpsters or other garbage collection facilities deemed suitable by the ASSOCIATION. Except on scheduled garbage collection days, all containers, dumpsters and other garbage collection facilities shall be screened, to the extent reasonable under the circumstances, from view from outside the Unit upon which same are located and kept in a clean condition with no noxious or offensive odors emanating therefrom.

9.6 **Subdivision or Partition**. No portion of the Property shall be subdivided except with the DEVELOPER's prior written consent. After the DEVELOPER no longer owns any portion of the Property, written consent must be obtained from the ASSOCIATION. No subdivision or partition of any Unit may be made in a manner inconsistent with local law.

9.7 **Common Area**. Nothing shall be stored, constructed within or removed from the Common Area other than by the DEVELOPER, except with the prior written approval of the BOARD.

9.8 **Insurance Rates**. Nothing shall be done or kept on the Common Area which shall increase the insurance rates of the ASSOCIATION without the prior written consent of the BOARD.

9.9 **Storms**. Dwelling Structures may be boarded up or hurricane shutters closed only upon the issuance of a tropical storm or hurricane watch, which boarding must be removed or hurricane shutters opened within 24 hours after the storm danger has passed.

9.10 **Garages**. No garage shall be permanently enclosed or converted without the prior written approval of the ARB (as hereinafter defined). The doors of all garages shall be kept in a useful operating condition and shall be closed, except as needed for ingress and egress. No ventilation grills or other openings of any kind shall be made in any garage door. No garage may be used as living space, with garage use to be limited to storage and/or the parking of vehicles, trailers or boats.

9.11 **Air Conditioners**. Window or wall-mounted air conditioning units are prohibited.

9.12 **Newspapers**. No OWNER or resident shall install or maintain any newspaper box on the Properties. All newspapers delivered to a Lot shall be brought inside daily and shall not be permitted to accumulated on any Lot or common area.

9.13 **Pets and Animals**. OWNERS and tenants are permitted to have pets and animals as a privilege, but only as follows:

9.13.1 Animals and pets shall be restricted to cats, dogs, birds and fish in reasonable numbers.

9.13.2 When outside of the Unit, all dogs must be accompanied by an attendant who shall have such dog firmly held by collar and leash, which leash shall not exceed eight (8) feet in length. No dogs shall be permitted to run at large outside the Unit.

9.13.3 The owner/custodian of each animal and pet and/or the individual walking same, shall be required to clean up after the animal/pet.

9.13.4 The owner/custodian of the animal or pet shall remove his or her animal or pet from the Property when such animal or pet emits excessive noise such that same may be heard outside of the Unit.

9.13.5 Any pet/animal owner's privilege to have a pet/animal reside in the Property shall be revoked if the pet/animal shall create a nuisance or shall become a nuisance.

9.14 **Exception.** The provisions of Section 9.13 shall yield where necessary to meet the needs of handicapped persons pursuant to fair housing laws.

9.15 **Fencing.** No fencing or other barriers which inhibit mowing and landscaping services shall be erected by any OWNER without prior written approval of the BOARD.

9.16 **Outside Storage Sheds.** Outside storage sheds or similar structures are prohibited on all of the Lots.

9.17 **No Business Activity.** No business or commercial activity or enterprise of any kind whatsoever shall be erected, maintained, operated, carried on, permitted or conducted on the Properties, including Lots; provided, however that the following shall not violate this Section:

9.17.1 Any business which qualifies as a home occupation under the applicable zoning code shall be permitted. However, a day care or child care facility or operation (regardless of age) shall not be permitted, irrespective of whether same is a home occupation.

9.17.2 The practice of leasing Lots.

9.17.3 The business of operating the ASSOCIATION.

9.18 **Signs.** No signs, freestanding or otherwise installed, shall be erected or displayed to the public view on any Unit. Notwithstanding the foregoing, the DEVELOPER specifically reserves the right for itself, its successors, nominees and assigns and the ASSOCIATION to place and maintain signs in connection with construction, marketing, sales and rental of Lots and identifying or informational signs anywhere on the Property.

9.19 **Solar Panels.** Solar panels shall be permitted only as required by Florida Statutes Section 163.04, as amended from time to time, and to the extent not prohibited by said statute, the ARB shall be permitted to dictate the placement, screening and color of same.

9.20 **Vehicles and Parking.** The following restrictions apply irrespective of whether the Property in question lies within areas owned by or dedicated to a governmental entity:

9.20.1 **Prohibited Vehicles or Items.** This Section lists prohibited vehicles or items ("Prohibited Vehicles"), which are prohibited anywhere on the Property: Motorcycles, dirt bikes or other two-wheeled motorized vehicles; mopeds and other self-powered bicycles; trucks, whether covered or uncovered, whether with a bed top or without; agriculture vehicles; dune buggies, swamp buggies and all terrain and off-road vehicles; any trailer or other device transportable by vehicular towing; semis, tractors or tractor trailers; buses; limousines; travel trailers; commercial vehicles as defined below; vehicles which are an eyesore; motorcycle delivery wagons; campers; recreational vehicles; mobile homes or mobile houses; truck mounted campers attached or detached from the truck chassis; motor homes or motor houses; motor vehicles not having any bodies whatsoever, or incomplete bodies; passenger automobiles that have been converted to a different type of motor vehicle by replacing the original body or by modifying the exterior of the vehicle; vehicles that are noisy, unsightly or junkers, or which have flat or missing tires; vans, unless permitted below; and boat and boat trailers; and other such motor vehicles.

9.20.2 **Non-Prohibited Vehicles.** The following shall not be considered Prohibited Vehicles, subject to other provisions in this DECLARATION;

9.20.2.1 Moving vans for the purpose of loading and unloading, but at no time during the hours of 5:00 p.m. to 8:00 a.m., nor from 5:00 p.m. Saturday to 8:00 a.m. Monday.

9.20.2.2 Vehicles regardless of classification, necessary for the maintenance, care or protection of the Property, during regular business hours, and only for the time period during which the maintenance, care or protection is being provided.

9.20.2.3 Service and delivery vehicles servicing the Property, regardless of classifications, during regular business hours and only for that period of time to render the service or delivery in question.

9.20.2.4 Vehicles for handicapped person, "handicapped" being defined by any fair housing law.

9.20.2.5 Police and Emergency vehicles.

9.20.2.6 Certain vans which are permitted. A two-axle van as defined below which is not a commercial vehicle as defined below; which contains windows on the rear of the vehicle, on both sides of the vehicle

adjacent to the first row of seating, and also at least one set of windows on each side of the vehicle beyond the windows adjacent to the first row of seating.

9.20.2.7 A pickup truck is permitted so long as it does not have a camper top or the like, and is not a commercial vehicle as defined below.

9.20.3 Classification of Vehicles.

9.20.3.1 The most current edition of the N.A.D.A. Official Used Car Guide("Guide") shall determine the classification of whether a vehicle is in fact a truck or van. If the Guide does not contain reference to a particular vehicle, then the manufacturer's classification shall control.

9.20.3.2 If publication of the Guide shall be discontinued, an equivalent publication shall be selected by the BOARD to be used to determine vehicle classifications hereunder. A State registration or title classification shall have no bearing on determination of the classifications under this Section.

9.20.3.3 A "commercial vehicle" shall mean any motor vehicle which has an outward appearance of being used in connection with business, (e.g., the vehicle displays work equipment to view and/or is commercially lettered or contains a commercial or business logo). Actual use of the vehicle shall yield to its outward appearance. A vehicle with a covered sign or logo shall still be considered to be a commercial vehicle. A vehicle with a removable sign or logo shall not, with the sign/logo removed, be considered to be a commercial vehicle unless it meets the definition of "commercial vehicle" even without the sign or logo.

9.20.3.4 A "van" shall mean any motor vehicle which is recognized by the manufacturer to be a type of a van, and which has two (2) axles.

9.20.4 Additional Vehicle Regulations. The following additional regulations apply:

9.20.4.1 No repair (including changing of oil) of a vehicle shall be made on Property except for minor repairs necessary to permit removal of a vehicle. Washing, waxing, or the changing of tires of a vehicle is permitted.

9.20.4.2 No motor vehicle which is of the type of vehicle which is unregistrable shall be driven or operated on any of the Property at any time for any reason.

9.20.4.3 No motor vehicle, including moving vans, shall be parked at any time on the grass/swales of the Property (except for landscaping equipment at the direction of the BOARD).

9.20.4.4 Except where safety dictates otherwise, horns shall not be used or blown while a vehicle is parked, standing in or driving through parking areas. Racing engines and loud exhausts shall be prohibited.

9.20.4.5 No vehicle shall be parked such that it blocks any sidewalk, except where otherwise necessary by moving vans and then only for loading and unloading.

9.20.4.6 All vehicles must be in working order; no vehicles on blocks, jacks or ramps, shall be permitted.

9.20.5 Towing. If upon the ASSOCIATION's provision of that notice required by Section 715.07, Florida Statutes and applicable County Ordinances, as amended from time to time, an offending vehicle owner does not remove a prohibited or improperly parked vehicle from the Property, the ASSOCIATION shall have the power and right to have the vehicle towed away at the vehicle owner's expense.

9.20.6 Enforcement Powers. Whether or not the ASSOCIATION exercises its right to have the vehicle so towed, the ASSOCIATION shall nonetheless have the right to seek compliance with this Section by injunctive and other relief through the courts; and/or any other remedy conferred upon the ASSOCIATION by law or the DECLARATION, Articles and By-laws. The ASSOCIATION's right to tow shall in no way be a condition precedent to any other remedies available to the ASSOCIATION incident to the enforcement of this Section.

Any such vehicle or recreational equipment parked in violation of these or other regulations contained herein may be towed by the ASSOCIATION at the sole expense of the owner of such vehicle or recreational equipment if (i) it remains in violation for a period of twenty-four (24) consecutive hours or (ii) it remains in violation for a period of forty-eight (48) nonconsecutive hours in any seven (7) day period. The ASSOCIATION shall not be liable to the owner of such vehicle or recreational equipment for trespass, conversion or otherwise, nor guilty of any criminal act by reason of such towing, and neither its removal or failure of the owner of such vehicle or recreational equipment to receive any notice of said violation shall be grounds for relief of any kind.

9.21 Solicitation. No business solicitation whatsoever shall be permitted in the Community, whether or not such solicitation is for the benefit of a non-profit organization, whether in person or by hand delivery of letters, without the permission of the BOARD. This shall not preclude an OWNER from inviting a person or firm to enter PINE TRACE for the purpose of contracting business with an OWNER.

9.22 Leasing of Units. A Unit may only be occupied by the OWNER of such Unit and the OWNER's immediate family. Provided, however, such Unit may be leased by the

OWNER subject to the following: (a) may only be leased once during any calendar year, and (b) all leases must be for a minimum of one (1) month. All leases shall be in writing. Notice of any lease, together with such additional information as may be required by the Board, shall be given to the BOARD by the Unit OWNER within 10 days of execution of the lease. The OWNER must make available to the lessee copies of the DECLARATION, By-Laws, and the rules and regulations. The OWNER will be responsible for any violations made by lessee. Any occupancy of a house located upon a Unit in violation of these restrictions shall be deemed a non-monetary default of this DECLARATION and may be enforced in accordance with the terms of this DECLARATION.

9.23 **Ownership Transfer of Lots.** In order to maintain a community of congenial, financially responsible residents with the objectives of protecting the value of the Lots, inhibiting transiency, and facilitating the development of a stable, quiet community and peace of mind for all residents, the transfer of the ownership of a Lot shall be subject to the following provisions so long as the Community exists, which provisions each OWNER of a Lot agrees to observe.

9.23.1 **Forms of Ownership.**

9.23.1.1 **General.** Except as otherwise provided in this Section, there is no limit as to how a Lot may be owned.

9.23.1.2 **Life Estate.** A Lot may be subject to a life estate, either by operation of law or by a voluntary conveyance. In that event, the life tenant shall be the MEMBER from such Lot, and the occupancy of the Lot shall be as if the life tenant was the only OWNER. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy rights unless separately approved by the ASSOCIATION. The life tenant shall be liable for all assessments and Charges against the Lot. Any consent or approval required of MEMBER may be given by the life tenant alone, and the consent or approval of the holders of the remainder interest shall not be required. If there is more than one life tenant, they shall be treated as co-OWNERS.

9.23.2 **Transfer of Ownership of Lots.** OWNERS may transfer title to Lots without the need for ASSOCIATION approval. However, each OWNER shall be required to advise the ASSOCIATION of any transfer of ownership, and the ASSOCIATION shall be permitted to adopt a form for the OWNER and/or purchaser/new OWNER to execute providing reasonable information relating to same.

9.24 **Compliance with Documents.** Each OWNER (including each Resident) and his family members, guests, invitees, lessees and their family members, guests, and invitees; and his or its tenants, licensees, guests, invitees and sub-tenants shall be bound and abide by this DECLARATION. The conduct of the foregoing parties shall be considered to be the conduct of the OWNER responsible for, or connected in any manner with, such individual's presence. Such OWNER shall be liable to the ASSOCIATION for the cost of any maintenance, repair or

replacement of any real or personal property rendered necessary by his act, neglect or carelessness, or by that of any other of the foregoing parties (but only to the extent that such expense is not met by the proceeds of insurance carried by the ASSOCIATION) which shall be paid for by the OWNER as a Special Assessment as provided in Section 5. Failure of an OWNER to notify any Person of the existence of the covenants, conditions, restrictions, and other provisions of this DECLARATION shall not in any way act to limit or divest the right to enforcement of these provisions against the OWNER or such other Person.

9.25 **Exculpation of the DEVELOPER, the BOARD and the ASSOCIATION.** The DEVELOPER, the BOARD and the ASSOCIATION may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without liability of any nature to the OWNER or any other Person for any reason whatsoever, and any permission or approval granted shall be binding upon all Persons.

9.26 **No Implied Waiver.** The failure of the ASSOCIATION or the DEVELOPER to object to an OWNER's or other party's failure to comply with these Covenants or any other Governing Documents (including any Rules and Regulations promulgated) shall in no event be deemed a waiver by the DEVELOPER or the ASSOCIATION, or any other Person having an interest therein, of that OWNER's or other party's requirement and obligation to abide by these Covenants.

9.27 **Imposition of Fines for Violations.** It is acknowledged and agreed among all OWNERS that a violation of any of the provisions of this Section by an OWNER or Resident may impose irreparable harm to the other OWNERS or Residents. All OWNERS agree that a fine not to exceed One Hundred and No/100 Dollars (\$100.00) per day may be imposed by the DEVELOPER or ASSOCIATION for each day a violation continues after notification by the DEVELOPER or the ASSOCIATION, and fines may exceed One Thousand and No/100 Dollars (\$1,000.00) in the aggregate. No fine or suspension of OWNERS rights shall be imposed without notice to the OWNER of at least 14 days. The OWNER shall be entitled to an opportunity for a hearing before a committee of at least 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. If the Committee, by majority vote does not approve a proposed fine or suspension, it may not be imposed. The Committees decision is final.

The foregoing requirements do not apply to fines or suspensions for failure to pay assessments or other charges. All fines collected shall be used for the benefit of the ASSOCIATION. Any fine levied shall be paid within fifteen (15) days after mailing of notice of the fine. If not paid within said fifteen (15) days the amount of such fine shall accrue interest at the highest interest rate allowed by the laws of Florida.

10 **INSURANCE AND CONDEMNATION.** The ASSOCIATION shall purchase and maintain the following insurance coverages subject to the following provisions, and the cost of the premiums therefor shall be a part of the ASSOCIATION Expenses:

10.1 **Public Liability Insurance.** A comprehensive policy or policies of general liability insurance naming the ASSOCIATION and, for so long as DEVELOPER owns any Unit, DEVELOPER as named insureds thereof and including the OWNERS as insureds thereunder insuring against any and all claims or demands made by any person or persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Common Area and any improvements and Buildings located thereon and/or the Common Structural Elements and for any other risks insured against by such policies with limits of not less than One Million Dollars (\$1,000,000) for any single occurrence. Such coverage shall include as appropriate, without limitation, protection against any legal liability that results from lawsuits related to employment contracts in which the ASSOCIATION is a party; bodily injury and property damage liability that results from the operation, maintenance or use of the Common Area and/or the Common Structural Elements; water damage liability; liability for non-owned and hired automobiles; liability for property of others and such other risks as are customarily covered with respect to areas similar to the Common Area and/or to the Common Structural Elements. The insurance purchased shall contain a Severability of Interest endorsement, or equivalent coverage, which would preclude the insurer from denying the claim of an OWNER because of the negligent acts of either the ASSOCIATION, DEVELOPER or any other OWNERS or deny the claim of either DEVELOPER or ASSOCIATION because of negligent acts of the other or the negligent acts of an OWNER. All liability insurance shall contain cross liability endorsements to cover liabilities of the OWNERS as a group to an OWNER. Each OWNER shall be responsible for the purchasing of liability insurance for accidents occurring in his own Unit and, if the OWNER so determines, for supplementing any insurance purchased by the ASSOCIATION. Notwithstanding the foregoing, in the event the Board determines that the cost of public liability insurance is economically unwarranted, the Board may determine to either reduce the amount of such insurance, increase the deductible amount or discontinue coverage.

10.2 **Hazard Insurance.** Each OWNER shall be responsible for the purchase of casualty insurance for all of his personal property. The ASSOCIATION shall obtain casualty insurance with such coverage and in such amounts as it may determine from time to time for the purpose of providing casualty insurance coverage for all insurable property and improvements, including Fire and Extended Coverage, Vandalism and Malicious Mischief Insurance, all of which insurance shall insure all of the insurable improvements, including personal property owned by the ASSOCIATION, in and for the interest of the ASSOCIATION, all OWNERS and their mortgagees, as their interests may appear, with a company (or companies) acceptable to the standards set by the BOARD. The ASSOCIATION shall purchase insurance for each Building now located or which may hereafter be located or built in an amount equal to one hundred percent (100%) of the "Replacement Value" thereof. The term "Replacement Value" shall mean one hundred percent (100%) of the current replacement costs exclusive of land, foundation, excavation, items of personal property and other items normally excluded from coverage as determined annually by the BOARD. The BOARD may determine the kind of coverage and proper and adequate amount of insurance. The casualty insurance shall contain an "agreed amount endorsement" or its equivalent, "inflation guard endorsement," and, if determined necessary, an "increased cost of construction endorsement" or "continuant liability from operation of building laws endorsement" or a "demolition endorsement" or the equivalent. The Casualty Insurance shall insure the Buildings from loss or damage caused by or resulting from at least the following: fire and other hazards covered by the standard extended coverage

endorsement and by sprinkler leakage, windstorm, vandalism, malicious mischief, debris removal and demolition, and such other risks as shall customarily be covered with respect to projects or developments similar to the Buildings in construction, location and use.

10.3 **Flood Insurance.** If determined appropriate by the Board or if required by an Institutional Mortgagee, a master or blanket policy of flood insurance covering the ASSOCIATION Property and the Buildings, if available, under the National Flood Insurance Program, which flood insurance shall be in the form of a standard policy issued by a member of the National Flood Insurance Insurers ASSOCIATION, and the amount of the coverage of such insurance shall be the lesser of the maximum amount of flood insurance available under such program, or one hundred percent (100%) of the current replacement cost of all Buildings and other insurable property located in the flood hazard area.

10.4 **Form of Policy and Insurance Trustee.** The ASSOCIATION may, to the extent possible and not inconsistent with the foregoing, obtain one (1) policy to insure all of the insurable improvements operated by the ASSOCIATION. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the ASSOCIATION and assessed as part of the Quarterly Assessment. The company (or companies) with which the ASSOCIATION shall place its insurance coverage, as provided in this DECLARATION, must be a good and responsible company (or companies) authorized to do business in the State of Florida. In addition, the insurance agent must be located in the State of Florida. The ASSOCIATION shall have the right to designate a trustee ("Insurance Trustee") and upon the request of the Institutional Mortgagee holding the highest dollar indebtedness encumbering Units ("Lead Mortgagee") shall designate an Insurance Trustee. Thereafter the ASSOCIATION from time to time shall have the right to change the Insurance Trustee to such other trust company authorized to conduct business in the State of Florida or to such other person, firm or corporation as Insurance Trustee as shall be acceptable to the BOARD and the Lead Mortgagee. The Lead Mortgagee shall have the right, for so long as it holds the highest dollar indebtedness encumbering Units within PINE TRACE to approve: (i) the form of the insurance policies; (ii) the amounts thereof; (iii) the company or companies which shall be the insurers under such policies; (iv) the insurance agent or agents; and (v) the designation of the Insurance Trustee if it deems the use of an Insurance Trustee other than the Board to be necessary, which approval(s) shall not be unreasonably withheld or delayed; provided, however, for so long as DEVELOPER owns any Unit(s), DEVELOPER shall have the right, but not the obligation, to require the ASSOCIATION to designate an Insurance Trustee other than the BOARD. Notwithstanding anything to this DECLARATION to the contrary, the Board may act as the Insurance Trustee hereunder unless otherwise required by the Lead Mortgagee or DEVELOPER. The Lead Mortgagee shall inform the ASSOCIATION by written notification if it requires the use of an Insurance Trustee other than the BOARD. If the use of an Insurance Trustee other than the BOARD is requested in writing, then the Lead Mortgagee shall be deemed to have approved the Insurance Trustee unless the Lead Mortgagee's written disapproval is received by the ASSOCIATION within thirty (30) days after notice from the ASSOCIATION of the identity of the proposed Insurance Trustee. If no Insurance Trustee is required, the Board shall receive, hold and expend insurance proceeds in the manner hereinafter provided as if it were the Insurance Trustee.

10.5 **Required Policy Provisions.** All such aforesaid policies shall provide that they may not be cancelled without at least ten (10) days' prior written notice to the ASSOCIATION and "Listed Mortgagees" (as hereinafter defined) and shall be deposited with the Insurance Trustee upon its written acknowledgment that the policies and any proceeds thereof will be held in accordance with the terms hereof. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee. In the event of a casualty loss, the Insurance Trustee may deduct from the insurance proceeds collected a reasonable fee for its service as Insurance Trustee. The ASSOCIATION is hereby irrevocably appointed agent for each OWNER to adjust all claims arising under insurance policies purchased by the ASSOCIATION. The Insurance Trustee shall not be liable for payment of premiums, for the renewal or the sufficiency of the policies nor for the failure to collect any insurance proceeds. The ASSOCIATION may determine to act as Insurance Trustee, in which event references herein to Insurance Trustee shall refer to the Board.

10.6 **Restrictions of Mortgagees.** No mortgagee shall have any right to participate in the determination of whether property is to be rebuilt, nor shall any mortgagee have the right to apply insurance proceeds to repayment of its loan unless such proceeds are distributed to OWNERS and/or their respective mortgagees.

10.7 **Distribution of Insurance Proceeds and Losses.** The duty of the Insurance Trustee shall be to receive any and all proceeds from the insurance policies held by it and to hold such proceeds in trust for the ASSOCIATION, OWNERS and mortgagees under the following terms:

10.7.1 In the event a loss, insured under the policies held by the Insurance Trustee, occurs to any improvements within any of the Units alone, without any loss to any other improvements, the Insurance Trustee shall immediately pay all proceeds received because of such loss directly to the OWNERS of the Units damaged and their mortgagees, if any, as their interests may appear, and it shall be the duty of these OWNERS to use such proceeds to effect necessary repair to the Units. The Insurance Trustee, where other than the ASSOCIATION, may rely upon the written statement of the ASSOCIATION as to whether or not there has been a loss to the Units alone, the Common Structural Elements or any combination thereof.

10.7.2 In the event that a loss of Fifty Thousand Dollars (\$50,000) or less occurs to improvements within one (1) or more Units and to improvements within Common Structural Elements contiguous thereto, or to improvements within the Common Structural Elements, the Insurance Trustee shall pay the proceeds received as a result of such loss to the ASSOCIATION. Upon receipt of such proceeds, the ASSOCIATION will cause the necessary repairs to be made to the improvements within the Common Structural Elements and within the damaged Units. In such event, should the insurance proceeds be sufficient to repair the improvements within the Common Structural Elements, but insufficient to repair all of the damage within the Units, the proceeds shall be applied first to completely repair the improvements within the Common Structural Elements and the balance of the funds ("Balance") shall be apportioned by the ASSOCIATION to repair the damage to the improvements within Units, which apportionment shall be made to each Unit in accordance with the proportion of damage sustained to improvements within said Units as estimated by the insurance company whose policy covers

such damage. Any deficiency between the Balance apportioned to a damaged Unit and the cost of repair shall be paid as a special assessment to the ASSOCIATION by the OWNER of such damaged Unit.

10.7.3 In the event the Insurance Trustee receives proceeds in excess of the sum of Fifty Thousand Dollars (\$50,000) as a result of damages to the improvements within the Common Structural Elements and/or Units and Common Structural Elements that are contiguous, then the Insurance Trustee shall hold, in trust, all insurance proceeds received with respect to such damage, together with any and all other funds paid as hereinafter provided, and shall distribute the same as follows:

10.7.3.1 The BOARD shall obtain or cause to be obtained reliable and detailed estimates and/or bids for the cost of rebuilding and reconstructing the damage and for the purpose of determining whether insurance proceeds are sufficient to pay for the same.

10.7.3.2 In the event the insurance proceeds are sufficient to rebuild and reconstruct all the damaged improvements, or upon the collection of the necessary funds that are described in subparagraph 10.7.3.3 below, then the damaged improvements shall be completely repaired and restored. In this event, all payees shall deliver paid bills and waivers of mechanics' liens to the Insurance Trustee and execute affidavits required by law, by the ASSOCIATION, by any Institutional Trustee and shall deliver the same to the Insurance Trustee. Further, the ASSOCIATION shall negotiate and obtain a contractor willing to do the work on a fixed price basis or some other reasonable terms under the circumstances, which said contractor shall post a performance and payment bond, and the Insurance Trustee shall disburse the insurance proceeds and other funds held in trust in accordance with the progress payments contained in the construction contract between the ASSOCIATION and the contractor. Subject to the foregoing, the BOARD shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

10.7.3.3 In the event the insurance proceeds are insufficient to repair and replace all of the damaged improvements within the Common Structural Elements and Units contiguous to such damaged Common Structural Elements, the Board shall hold a special meeting to determine a special assessment against all of the OWNERS to obtain any necessary funds to repair and to restore such damaged improvements. Upon the determination by the BOARD of the amount of such special assessment, the BOARD shall immediately levy such special assessment against the respective Units setting forth the date or dates of payment of the same, and any and all funds received from the OWNERS pursuant to such special assessment shall be delivered to the Insurance Trustee and disbursed as provided in subparagraph 10.7.3.2 immediately preceding. In the event the deficiency between the estimated cost of the repair and replacement of the

damaged property and the insurance proceeds exceeds the sum of Twenty-Five Thousand Dollars (\$25,000), and three-fourths (3/4) of the OWNERS advise the Board in writing on or before the date for the first payment thereof that they are opposed to a special assessment, then the Insurance Trustee shall divide the net insurance proceeds equally among the OWNERS and shall promptly pay each share of such proceeds to the OWNERS and mortgagees of record as their interests may appear ("Insurance Proceeds Distribution"). In making any such Insurance Proceeds Distribution to the OWNERS and mortgagees, the Insurance Trustee may rely upon a certificate of an abstract company as to the names of the then OWNERS and their respective mortgagees. Any Insurance Proceeds Distribution shall also require the approval of the Lead Mortgagee.

10.7.4 In the event that after the completion of and payment for the repair and reconstruction of the damage to the damaged property and after the payment of the Insurance Trustee's fee with respect thereto any excess insurance proceeds remain in the hands of the Insurance Trustee, then such excess shall be disbursed in the manner of the Insurance Proceeds Distribution. However, in the event such repairs and replacements were paid for by any special assessment as well as insurance proceeds, then it shall be presumed that the monies disbursed in payment of any repair, replacement and reconstruction were first disbursed from insurance proceeds and any remaining funds held by the Insurance Trustee shall be distributed to the OWNERS in proportion to their contributions by way of special assessment.

10.7.5 In the event the Insurance Trustee has on hand, within ninety (90) days after any casualty or loss, insurance proceeds and, if necessary, funds from any special assessment sufficient to pay fully any required restoration and repair with respect to such casualty or loss, then no mortgagee shall have the right to require the application of any insurance proceeds or special assessment to the payment of its loan. Any provision contained herein for the benefit of any mortgagee may be enforced by a mortgagee.

10.7.6 Any repair, rebuilding or reconstruction of damaged property shall be substantially in accordance with the architectural plans and specifications for PINE TRACE, as: (i) originally constructed; (ii) reconstructed; or (iii) new plans and substantial change in new plans and specifications approved by the Board from the plans and specifications of PINE TRACE as previously constructed shall require approval by the Lead Mortgagee.

10.7.7 The BOARD shall determine, in its sole and absolute discretion, whether damage or loss has occurred to improvements with Units alone, Common Structural Elements alone or to improvements within any combination thereof.

10.7.8 Notwithstanding anything in this Section to the contrary, the amounts set forth for the purchase of insurance in this Section are the minimum amounts to be purchased. Therefore, OWNERS or the ASSOCIATION, as the case may be, may purchase insurance in excess of the amounts set forth herein. The amounts set forth do not constitute a representation

of warranty of any kind by DEVELOPER or the ASSOCIATION as to the proper amount or kinds of insurance required.

10.7.9 Policies insuring the property purchased pursuant to the requirements of this Section shall provide that any insurance trust agreement shall be recognized; the right of subrogation against OWNERS will be waived; the insurance will not be prejudiced by any acts or omission of individual OWNERS who are not under the control of the ASSOCIATION; and the policy will be primary, even if an OWNER has other insurance that covers the same loss.

10.7.10 Nothing contained herein shall prohibit the ASSOCIATION from obtaining a "Master" or "Blanket" form of insurance to meet the requirements of this Section, provided that the coverages required hereunder are fulfilled.

10.8 **Fidelity Coverage.** Adequate Fidelity Coverage to protect against dishonest acts of the officers and employees of the ASSOCIATION and the Directors and all others who handle are responsible for handling funds of the ASSOCIATION (whether or not they receive compensation), such coverage to be in the form of fidelity bonds which meet the following requirements:

10.8.1 Such bonds shall name the ASSOCIATION as an obligee and premiums therefor shall be paid by the ASSOCIATION;

10.8.2 Such bonds shall be written in an amount equal to at least the sum of one-quarter (1/4) of the annual Assessments on all Contributing Units, plus the Reserves, if any, but in no event less than Ten Thousand Dollars (\$10,000) for each such person; and

10.8.3 Such bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

Notwithstanding the foregoing, in the event the ASSOCIATION determines that the cost of such insurance is economically unwarranted or is not obtainable, the ASSOCIATION may determine to either reduce the amount of such insurance, increase the deductible amount of discontinue coverage.

10.9 **Cancellation or Modification.** All insurance policies purchased by the ASSOCIATION shall provide that they may not be cancelled (including for nonpayment of premiums) or substantially modified without at least ten (10) days prior written notice to the ASSOCIATION and to each first mortgage holder named in the mortgage clause.

10.10 **Condemnation.** In the event the ASSOCIATION receives any award or payment arising from the taking of any ASSOCIATION Property or any part thereof as a result of the exercise of the right of condemnation or eminent domain. The net proceeds thereof shall first be applied to the restoration of such taken areas and improvements thereon to the extent deemed advisable by the ASSOCIATION and approved by OWNERS owning at least two-thirds (2/3) of

the Units, and the remaining balance thereof, if any, shall then be distributed pro rata to OWNERS and mortgagees of lots as their respective interests may appear.

11 DEVELOPER'S LOTS AND PRIVILEGES; DEVELOPER DESIGNEES

The following provisions shall apply in addition to any and all provisions contained elsewhere in this DECLARATION with respect to the DEVELOPER's Lots and privileges. The provisions of this Section shall take precedence over any other provisions to the contrary in this DECLARATION, or in the Articles or By-Laws.

11.1 **Changes in General Plan of Development.** Until the completion of all of the contemplated improvements to the Properties in PINE TRACE and the sale of all Lots contemplated within PINE TRACE, the DEVELOPER reserves the right, without joinder of any person or entity, to make such changes to the General Plan of Development as may be required by any lender, governmental authority, or as may be, in its judgment, necessary or desirable; provided that any changes when made will provide facilities as good as or better than those shown on the development plans filed with the appropriate governmental authority.

11.2 **Deposits and Payments.** The DEVELOPER shall be entitled to receive back any and all deposits refunded by any utility company or governmental authority, and shall be entitled to payments received by the ASSOCIATION with respect to the construction of private street lights, if any.

11.3 **Sales/Lease Activities.** The DEVELOPER, until all of the lots contemplated within PINE TRACE have been sold and closed, shall be irrevocably empowered to sell, lease or rent lots to any person or entity approved by the DEVELOPER without any interference or objection from the ASSOCIATION, and without any limitation. Furthermore, the DEVELOPER reserves the right to retain title to any lots and lease all or portions of same, without any intention of selling them. The DEVELOPER shall have the right to transact upon the Properties any business necessary to consummate the sale/lease of lots, including, but not limited to, the right to construct, install, maintain and use temporary construction, office, storage and sales facilities, place signs, banners and flags on the Properties for construction or sales purposes; use the Common Area for sales offices or for sales and promotional purposes; and conduct sales activities relating to property owned by the DEVELOPER or any of its affiliates which are situated outside of PINE TRACE. Any sales office, signs, fixtures, furnishings or other tangible personal property belonging to the DEVELOPER shall not be considered as part of the Properties nor owned by the ASSOCIATION and shall remain the property of the DEVELOPER.

11.4 **Special Provision Regarding The DEVELOPER's Designees.** The DEVELOPER shall be permitted, without relinquishing any rights of the DEVELOPER hereunder, to designate certain builders and contractors (whether or not affiliated with the DEVELOPER) who shall be permitted to transact any business necessary to consummate the sale/lease of Lots, including, but not limited to, the right to maintain models, have signs, staff employees, maintain offices, use the Properties and show Lots. The DEVELOPER shall be permitted to impose limitation(s) upon anyone or more of said builders and contractors in connection with same. Any sales office, signs, fixtures or furnishings or other tangible personal

property belonging to the particular builder and/or contractor shall not be considered as part of the Properties nor owned by the ASSOCIATION and shall remain the property of the particular builder and/or contractor.

11.5 Charges and Liens; Common Expenses.

11.5.1 Exemption from Interest and Late Charges. The DEVELOPER's Lots shall be exempt from any obligation to pay interest or late fees with respect to non-payment of monies due and owing by the DEVELOPER to the ASSOCIATION, and at no time shall the ASSOCIATION be permitted to file a Claim of Lien against any Lot owned by the DEVELOPER. The DEVELOPER shall be entitled to injunctive relief and/or damages, including punitive damages, for any such liens filed.

11.5.2 Credits. The DEVELOPER shall be permitted to pay any common expenses of the ASSOCIATION, and when doing so, shall be entitled to credit/offset against any sums due and owing by the DEVELOPER to the ASSOCIATION.

11.6 Assignment and Assumption of DEVELOPER's Rights and Privileges. The DEVELOPER hereby reserves the right to assign any or all of the rights of the DEVELOPER under the Governing Documents, in whole or in part, with respect to the Properties, to any other person or entity. In connection with such assignment, any assignee shall not be liable for any action of a prior developer. Any Institutional Mortgagee acquiring title to any of the Properties by foreclosure or by a deed in lieu of foreclosure has the right, but not the obligation, to assume any of the rights and obligations of the DEVELOPER; and regardless of such assumption, shall have the right to assign any rights of the DEVELOPER under the Governing Documents to any subsequent purchaser from the Institutional Mortgagee.

12 SOUTH FLORIDA WATER MANAGEMENT DISTRICT PROVISIONS. Section 9.2.4, BOR requires that the Declaration of Protective Covenants, Deed Restrictions, Declaration of Condominium or other recorded document setting forth the ASSOCIATION's rules and restrictions (hereinafter referred to as "Documents"), contain certain covenants and restrictions. The following language is being inserted to meet the requirements of section 9.2.4, BOR:

12.1 The ASSOCIATION hereby accepts responsibility for the operation and maintenance of the surface water management system described in South Florida Water Management Water Management District application of permit number 56-00466-S-23.

12.2 The surface water management system and the common areas of the ASSOCIATION are owned by the ASSOCIATION.

12.3 The ASSOCIATION is responsible for assessing and collecting fees for the operation, maintenance, and, if necessary, replacement of the surface water management system. Fees shall be assessed and collected through the P TRACE PROPERTY OWNERS ASSOCIATION, INC..

12.4 Any amendment proposed to these documents which would affect the surface water management system, conservation areas or water management portions of common areas shall be submitted to the South Florida Water Management District for review prior to finalization of the amendment. The South Florida Water Management District shall determine if the proposed amendment will require a modification of the environmental resource or surface water management permit. If a permit modification is necessary, the modification must be approved by the South Florida Water Management District prior to the amendment of this document.

12.5 The documents shall remain in effect for twenty-five (25) years. This document shall be automatically renewed thereafter.

12.6 Monitoring and maintenance of the mitigation area, described in Army Corps of Engineers Permit Number SAJ-2004-6484 (IP-JBH) shall be the responsibility of the ASSOCIATION. The ASSOCIATION must successfully complete the mitigation and satisfy permit conditions. The success criteria are described in Army Corps of Engineers Permit Number SAJ-2004-6484 (IP-JBH), which is attached hereto as Exhibit "C".

12.7 The Environmental Resource or Surface Water Management Permit is made a part of this document and attached hereto as Exhibit "D". Copies of the permit and any future permit actions of the South Florida Water Management District shall be maintained by the Registered Agent of the ASSOCIATION for the benefit of the ASSOCIATION.

12.8 The South Florida Water Management District has the right to take enforcement action, including a civil action for an injunction and penalties against the ASSOCIATION to compel it to correct any outstanding problems with the surface water management system facilities or in mitigation or conservation areas under the responsibility or control of the ASSOCIATION.

12.9 The ASSOCIATION will operate and maintain the stormwater management system which will accept and treat the stormwater runoff from Tract C, Tract D and Pine Trace Avenue as shown on the Plat.

13 MISCELLANEOUS PROVISIONS.

13.1 **Common Area and Other Disputes With the DEVELOPER.** In the event that there are any warranty, negligence or other claims against the DEVELOPER or any party having a right of contribution from, or being jointly and severally liable with, the DEVELOPER (the "Claims") relating to the design, construction, furnishing or equipping of the Common Area, or other Properties, same shall be adjudicated pursuant to binding arbitration, rather than civil litigation, as permitted by the Florida Arbitration Code (the "Code"), Chapter 682, Florida Statutes, in the following manner:

13.1.1 The party making the Claims, which shall include the ASSOCIATION as well as any OWNER, (the "Claimant") shall notify the DEVELOPER in writing of the Claims, specifying with particularity the nature of each component thereof and providing a true and

complete copy of each and every report, study, surveyor other document supporting or forming the basis of the Claims. Such notice shall be provided to the DEVELOPER within one hundred and twenty (120) days after the date for the DEVELOPER to relinquish control of the BOARD as provided for in the By-laws. The failure of the ASSOCIATION or any OWNER to provide the DEVELOPER written notice within such time period shall act as a bar to the ASSOCIATION or OWNER filing any Claims against the DEVELOPER. Such bar shall not serve to permit the ASSOCIATION or any OWNER to then file any Claim in court.

13.1.2 Within thirty (30) days of receipt of the notice of the Claims, the DEVELOPER will engage, at its own expense, a duly licensed engineer or architect, as appropriate (the "Arbitrator") to serve as the arbitrator of the Claims pursuant to the Code. Such engineer or architect shall be independent of the DEVELOPER and the Claimant, not having any then-current business relationship with the DEVELOPER or Claimant, other than by virtue of being the Arbitrator. Upon selecting the Arbitrator, the DEVELOPER shall notify the Claimant of the name and address of the Arbitrator.

13.1.3 Within thirty (30) days after the DEVELOPER notifies the Claimant of the name and address of the Arbitrator, the Claimant and the DEVELOPER shall be permitted to provide the Arbitrator with any pertinent materials to assist the Arbitrator in rendering his findings.

13.1.4 Within sixty (60) days from the date of his appointment, the Arbitrator shall review the Claims and supporting materials, inspect the Common Area or other Properties in question, and all appropriate plans, specifications and other documents relating thereto, and render a report (the "Final Report") to the DEVELOPER and the Claimant setting forth, on an item by item basis, his findings with respect to the Claims and the method of correction of those he finds to be valid. If the DEVELOPER so requests, by written notice to the Arbitrator, the Arbitrator will specify the estimated cost of the correction of each of those Claims he finds to be valid and shall offset therefrom costs reasonably attributable to any ASSOCIATION failure to maintain or mitigate or to any contributory negligence, in all cases whether chargeable to the Claimant or others. At the request of the Claimant or DEVELOPER that a conference be held to discuss the Claims, such a conference shall be held, and the Arbitrator shall establish procedures, guidelines and ground rules for the holding of the conference. The Claimant and the DEVELOPER shall be entitled to representation by its attorney and any other expert at the conference. In the event such a conference is held, the sixty (60) day time period referenced in this subsection shall be extended as the Arbitrator deems warranted. At the conference, the Arbitrator shall notify the DEVELOPER and Claimant as to when the Final Report shall be issued.

13.1.5 The DEVELOPER shall have one hundred eighty (180) days after receipt of the Final Report in which to (i) correct the Claims found to be valid or (ii) pay to the Claimant the amount estimated by the Arbitrator to be the cost to correct same after the offset referred to in subsection 13.1.4 above.

13.1.6 As to those matters the DEVELOPER elects to correct, upon the completion of all corrective work the DEVELOPER will so notify the Arbitrator (with a copy of

such notice to the Claimant) and the Arbitrator shall then inspect the corrected items and render a report (the "Remedial Report") to the DEVELOPER and the Claimant on whether those items have been corrected.

Such procedure shall be repeated as often as necessary until all items have been corrected.

13.1.7 For all purposes, the Final Report and Remedial Report of the Arbitrator will constitute binding and enforceable arbitration awards as defined in Section 682.09 of the Code and any party affected by such reports will have the right to seek the enforcement of same in a court of competent jurisdiction. Moreover, no party will have the right to seek separate judicial relief with respect to disputes as defined above, or to seek to vacate the aforementioned arbitration awards, except in accordance with the Code, and then only upon the specific grounds and in the specified manner for the vacation of such awards as established by Section 682.13 of the Code.

13.1.8 The Arbitrator shall not be liable to the ASSOCIATION, the Claimant or the DEVELOPER by virtue of the performance of his services hereunder, fraud and corruption excepted.

13.1.9 The procedures set forth above shall also be the sole means by which disputes as to ASSOCIATION finances (including, without limitation, the DEVELOPER's payment of assessments, deficit funding obligations, if any, the handling of reserves, if any, and the keeping of accounting records), except that the Arbitrator shall be a Certified Public Accountant who (i) is a member of Community Associations Institute and (ii) meets the independence test set forth above.

13.1.10 In the event that there is any dispute as to the legal effect or validity of any of the Claims (e.g., as to standing, privity of contract, statute of limitations or laches, failure to maintain or mitigate, existence of duty, foreseeability, comparative negligence, the effect of disclaimers or the interpretation of this DECLARATION as it applies to the Claims), such dispute shall be submitted to arbitration, as herein provided, by an attorney in good standing with The Florida Bar chosen by the DEVELOPER, which arbitrator shall be independent of the DEVELOPER and the Claimant as set forth above. In such event, all time deadlines which cannot be met without the resolution of such disputed matters shall be suspended for such time as the arbitration provided for in this subsection continues until final resolution.

13.1.11 No provision in this Section shall confer standing which is not otherwise available to a party under law.

13.2 **Assignment of Rights and Duties to ASSOCIATION.** The DEVELOPER may at any time assign and delegate to the ASSOCIATION all or any portion of the DEVELOPER's rights, title, interest, duties or obligations created by this DECLARATION. It is understood that the ASSOCIATION has been formed as a home owners association in order to effectuate the intent of the DEVELOPER for the proper development, operation and management of the Property. Wherever herein the DEVELOPER or the ASSOCIATION, or both, are given the

right, the duty or the obligation to approve, enforce, waive, collect, sue, demand, give notice or take any other action or grant any relief or perform any task, such action may be taken by the DEVELOPER or the ASSOCIATION until such time as the DEVELOPER has recorded a Certificate of Termination of Interest in the Property. Thereafter, all rights, duties and obligations of the DEVELOPER shall be administered solely by the ASSOCIATION in accordance with procedures set forth herein and in the Governing Documents.

13.3 **Certificate of Termination of Interest.** Notwithstanding anything in this DECLARATION, the Articles or the Bylaws to the contrary, the DEVELOPER may, in its sole discretion and at any time hereafter, elect to give up and terminate any and all rights reserved to the DEVELOPER in this DECLARATION, the Articles and the Bylaws. The rights relinquished shall include, but not be limited to, (1) the right to appoint any member of the BOARD; (2) the right to amend this DECLARATION, the Articles or the Bylaws; (3) the right to require its approval of any proposed amendment to this DECLARATION, the Articles or the Bylaws; and (4) all veto powers set forth in this DECLARATION. Such election shall be evidenced by the execution by the DEVELOPER and the recording in the Public Records of St. Lucie County, Florida, of an instrument entitled Certificate of Termination of Interest. Immediately upon the recording of such Certificate, and so long as the DEVELOPER does own at least one (1) Unit, the DEVELOPER shall become a MEMBER with no more rights or obligations in regards to PINE TRACE than those of any other OWNER of a Unit. The number of votes attributable to the DEVELOPER shall be calculated in accordance with the Governing Documents in the same manner as the number of votes would be calculated for any other OWNER.

13.4 **Waiver.** The failure of the DEVELOPER or the ASSOCIATION to insist upon the strict performance of any provision of this DECLARATION shall not be deemed to be a waiver of such provision unless the DEVELOPER or the ASSOCIATION has executed a written waiver of the provision. Any such written waiver of any provision of this DECLARATION by the DEVELOPER or the ASSOCIATION may be canceled or withdrawn at any time by the party giving the waiver.

13.5 **Covenants to Run with the Title to the Land.** This DECLARATION and the Covenants, as amended and supplemented from time to time as herein provided, shall be deemed to run with the title to the land, and shall remain in full force and effect until terminated in accordance with the provisions set out herein.

13.6 **Term of this DECLARATION.** All of the foregoing covenants, conditions, reservations and restrictions shall run with the land and continue and remain in full force and effect at all times as against all OWNERS, their successors, heirs or assigns, regardless of how the OWNERS acquire title, for a period of fifty (50) years from the date of this DECLARATION. After such fifty (50) year period these covenants, conditions, reservations and restrictions shall be automatically extended for successive periods of ten (10) years each, until a majority of the votes of the entire membership of the ASSOCIATION execute a written instrument declaring a termination of this DECLARATION. Any termination of this DECLARATION shall be effective on the date the instrument of termination is recorded in the Public Records of St. Lucie County, Florida, provided, however, that any such instrument, in

order to be effective, must be approved in writing and signed by the DEVELOPER so long as the DEVELOPER owns any portion of the Property.

13.7 **Amendments to DECLARATION, Articles or Bylaws of the ASSOCIATION.** This DECLARATION, as well as the Articles or Bylaws of the ASSOCIATION, may be amended at any time upon the approval of at least two-thirds (2/3) of the MEMBERS as evidenced by the recordation of an amendatory instrument executed by the President and Secretary of the ASSOCIATION. As long as the DEVELOPER appoints a majority of the members of the BOARD, the DEVELOPER shall have the right to unilaterally amend this DECLARATION, the Articles or the Bylaws of the ASSOCIATION without the joinder or approval of any member of the BOARD or any MEMBER and no amendment to the Articles or Bylaws shall be effective without the written approval of the DEVELOPER as long as the DEVELOPER owns any portion of the Property.

Notwithstanding the above rights to amend this DECLARATION, no amendment to this DECLARATION which affects the Surface Water Management System or any portion of the balance of the Common Area used for surface water management shall be effective unless such amendment has the prior written approval of the South Florida Water Management District.

13.8 **Disputes.** In the event there is any dispute as to the interpretation of this DECLARATION or whether the use of the Property or any portion thereof complies with this DECLARATION, such dispute shall be referred to the BOARD. An OWNER may refer a final BOARD decision for mediation in accordance with Section 720.311, Florida Statutes. However, any use by the DEVELOPER and its successors, nominees and assigns of the Property shall be deemed a use which complies with this DECLARATION and shall not be subject to a determination to the contrary by the BOARD.

13.9 **Governing Law.** The construction, validity and enforcement of this DECLARATION shall be determined according to the laws of the State of Florida. The venue of any action or suit brought in connection with this DECLARATION shall be in St. Lucie County, Florida.

13.10 **Invalidation.** The invalidation of any provision or provisions of this DECLARATION by lawful court order shall not affect or modify any of the other provisions of this DECLARATION, which other provisions shall remain in full force and effect.

13.11 **Usage.** Whenever used herein, the singular number shall include the plural and the plural the singular, and the use of any gender shall include all genders.

13.12 **Conflict.** This DECLARATION shall take precedence over conflicting provisions in the Articles and Bylaws of the ASSOCIATION and the Articles shall take precedence over the Bylaws.

13.13 **Notice.** Any notice required to be sent to any MEMBER or OWNER under the provisions of this DECLARATION shall be deemed to have been properly sent when mailed,

postpaid, to the last known address of the person who appears as MEMBER or OWNER on the records of the ASSOCIATION at the time of such mailing.

13.14 **Priorities in Case of Conflict.** In the event of conflict between or among the provisions of any of the following, the order of priorities shall be from highest priority to lowest:

- 13.14.1 Florida Statute §617.0302
- 13.14.2 Florida Statute §§720.301, et. seq.
- 13.14.3 Other Florida Statutes which apply.
- 13.14.4 This DECLARATION.
- 13.14.5 The Articles.
- 13.14.6 The By-laws.

IN WITNESS WHEREOF, the DEVELOPER, KB Home Treasure Coast, LLC, a Delaware limited liability company, has caused this instrument to be executed in its name as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

KB Home Treasure Coast, LLC,
a Delaware limited liability company

Print Name: SEPPREY BAYANT

By: William Orazi, Authorized Representative

Print Name: PATRICIA CARTER

STATE OF FLORIDA
COUNTY OF Indian River

The foregoing instrument was acknowledged before me this 24th day of February 2006 by William Orazi, as an Authorized Representative of KB Home Treasure Coast, LLC, a Delaware limited liability company, on behalf of the Company, who is personally known to me, or has produced n/a as identification, and who did not take an oath.



Patricia M. Gorter
Name: Patricia M. GORTER
Typed, printed or stamped # DD 345915
I am a Notary Public of the State of Florida

(NOTARY SEAL)

SCHEDULE OF EXHIBITS

- EXHIBIT "A" Articles of Incorporation of P TRACE PROPERTY OWNERS ASSOCIATION, INC., a Florida not-for-profit corporation
- EXHIBIT "B" By-Laws of P TRACE PROPERTY OWNERS ASSOCIATION, INC., a Florida not-for-profit corporation
- EXHIBIT "C" Army Corps of Engineers Permit Number SAJ-2004-6484 (IP-JBH).
- EXHIBIT "D" South Florida Water Management District Permit Number 56-00466-S-23