

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR THE ISLE OF TUSCANY

THIS DECLARATION OF COVENANTS AND RESTRICTIONS, is made on this 12th day of July, 1993, by LENNAR HOMES, INC., a Florida corporation, hereinafter referred to as "Developer" or "Declarant".

Developer owns the property described in this Declaration, and intends to develop the property as a residential community within the Kings Isle Development to be known as Isle of Tuscany. The purpose of this Declaration is to provide various use and maintenance requirements and restrictions in the best interest of the Owners of Homes within the Isle of Tuscany Neighborhood, to preserve and protect the values of the property. This Declaration will also establish an Association which will own, operate and/or maintain various portions of the property and the improvements constructed on the property, will have the right to enforce the provisions of this Declaration, and will be given various other rights and responsibilities. The expenses of the Association will be shared by the Owners of Homes constructed on the property, who, along with the Developer, will be Members of the Association.

Now, therefore, Developer hereby declares that the Neighborhood Lands, as hereinafter defined, and such additions as may, in the future, be made subject to the terms of the Declaration, shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the terms and conditions of this Declaration, all of which are created in the best interest of the Owners and residents of the Neighborhood Lands, and which will run with the Neighborhood Lands and shall be binding upon all persons having and/or acquiring any right, title or interest in the Neighborhood Lands or any portion thereof, and shall inure to the benefit of each and every person, from time to time, owning or holding an interest in the Neighborhood Lands, or any portion thereof.

ARTICLE I

DEFINITIONS

The terms used in this Declaration and in the Articles and Bylaws of the Association, shall have the following meanings, unless the context otherwise requires:

S1. "Articles" shall mean the Articles of Incorporation of the Association which have been filed in the office of the Secretary of State of Florida, a true copy of which is attached hereto, marked Exhibit B and incorporated herein by this reference, as such Articles may be amended from time to time

S2. "Assessments" shall mean the charge against each Owner and his Home, representing a portion of the total costs to the Association of owning, maintaining, improving, repairing, replacing, managing and operating the Common Areas and collection of Club charges and Community Association Assessments, if requested to do so by Developer, Club Owner or the Community Association.

S3. "Association" shall mean and refer to Isle of Tuscany Neighborhood Association, Inc., a Florida corporation not for profit.

S4. "Board" shall mean the Board of Directors of the Association, elected in accordance with the By-Laws of the Association.

S5. "By-Laws" shall mean the By-Laws of the Association, which have been or shall be adopted by the Board substantially in the form of Exhibit C attached hereto and incorporated herein by this reference, as such By-Laws may be amended from time to time.

S6. "Club" shall mean and refer to the private club located in the Kings Isle Development, the members of which are, on a voluntary basis, Owner of Homes in the Kings Isle Development.

S7. "Club Owner" shall mean and refer to the Kings Isle Recreation Corp.

*Return: Lennar Homes
mail*

§8. "Club Charges" shall mean and refer to the Club Facilities Fee and Club Operating Costs as defined in the Community Declaration of Restrictive Covenants.

§9. "Common Areas" shall mean and refer to that part of the Neighborhood Lands now or hereafter actually used and designated for the use and benefit of the residents in the Neighborhood; consisting of the Common Driveways, Parking Areas, if any, Green Areas, entry features and sometimes referred to herein as "Neighborhood Property"

§10. "Common Driveways" and Parking Area, if any" shall mean and refer to that part of the Common Areas now or hereafter actually used and paved for vehicular access and striped and designated for parking for the Owners of Homes in the Neighborhood.

§11. "Common Expenses" shall mean all expenses incurred and Assessments (and Special Assessments levied against each Owner and his Home within the Neighborhood) and the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Areas, including, without limitation: the costs of any and all utility charges for the Common Areas; costs of management and administration of the Association (including, without limitation, compensation paid by the Association to Managers, accountants, attorneys and other employees); the cost of all gardening and landscaping of the Common Areas and grass cutting and edging of the lawns on each Homesite; the cost of maintenance, operation, repair and replacement of equipment furnishing lighting for the Common Areas; the cost of fire, casualty and liability insurance, workers' compensation insurance, and other insurance covering the Common Areas; the cost of bonding persons who handle monies of the Association; taxes paid by the Association (including real property taxes for the Common Areas); amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Areas, or portions thereof and the costs of any other item or items incurred by the Association for any reason whatsoever in connection with the Common Areas or for the benefit of the Owners.

§12. "Community Association" shall mean the Kings Isle Community Association, Inc., the association created to administer the Kings Isle Development pursuant to the Community Declaration of Restrictive Covenants Kings Isle recorded or to be recorded in the Public Records of St. Lucie County, Florida.

§13. "Community Declaration" shall mean and refer to the Community Declaration of Restrictive Covenants Kings Isle recorded or to be recorded in the Public Records of St. Lucie County, Florida.

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

§15. "Declaration" shall mean this instrument as it may be amended from time to time.

§16. "Neighborhood Lands" means and refers to the land described on Exhibit A attached hereto and any other lands made subject to this Declaration by annexation.

§17. "Home" shall mean a completely constructed attached or detached or single or multi-family family housing residence or a unit in a condominium which is designated and intended for use and occupancy as a residence and which is subject to Assessments and Special Assessments under this Declaration or any Supplemental Declaration made by the Developer. Said term includes any interest in land, improvements and other property appurtenant to the Home.

§18. "Kings Isle" or "Kings Isle Development" or "Development" shall mean that certain tract of land legally described on Exhibit A of the Community Declaration and in the additions thereto, as are brought

within the provisions an applicability of the Community Declaration and/or deletions therefrom.

S19. "Homesite" shall mean and refer to those lots shown upon the recorded subdivision plat or plats of the Neighborhood Lands on which shall be built Homes.

S20. "Management Company" shall mean the person, firm or corporation appointed by the Association hereunder as its agent and delegated certain duties, powers or functions of the Association.

S21. "Member" shall mean all owners of Homes in the Neighborhood, and the Developer holding a membership in the Association as provided herein.

S22. "Mortgage" shall mean any mortgage encumbering a Home. The term "Mortgagee" shall mean the holder of such mortgage.

S23. "Owner" shall mean and refer to the person or persons or other legal entity or entities, including Developer, holding fee simple interest of record to any Home, including sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation. For purposes of Article I only, unless the context otherwise required, Owner shall include the family, invitees, licensees and lessees of any Owner.

S24. "Person" shall mean a natural individual or any other entity with the legal right to hold title to real property.

S25. "Neighborhood" or "Isle of Tuscany Neighborhood" shall mean the Homes, Homesites and common areas within the Neighborhood Lands.

S26. "Record, Recorded, Filed and Recordation" shall mean, with respect to any document, the recordation of such document in the office of the Clerk of Circuit Court of St. Lucie County, Florida.

S27. "Residential Property" shall mean and include that portion or portions of the Neighborhood Lands on which is built Homes.

S28. "Special Assessments" shall mean and include the following: (i) a charge against a particular Owner (and his Home) directly attributable to the Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration; or (ii) a charge against each Owner (and his Home) directly attributable to the Owner equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration; or (iii) a charge against each Owner (and his Home) representing a portion of the costs to the Association for installation or construction of any improvements on any portion of the Common Areas which the Association may from time to time authorize.

S29. "Supplemental Declaration" shall mean any Declaration which may be recorded by Developer for the purpose of supplementing this Declaration or for the purpose of withdrawing portions of the Neighborhood Lands or annexing additional property.

The foregoing definitions shall be applicable to this Declaration and also to any Supplemental Declaration, unless otherwise expressly provided, recorded pursuant to the provisions of this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

S1. Legal Description. The real property which is and shall be held, transferred, sold, conveyed and occupied, subject to this Declaration, is described in Exhibit A hereto.

S2. Restrictions and Amendments. The Developer shall be entitled, at any time and from time to time, to plat and/or replat and/or to submit to condominium or subject to a declaration of covenants and restrictions or other similar instrument on all or any part of the

Neighborhood Lands and to file restrictions and/or Amendments thereto with respect to any portion or portions of the Neighborhood Lands.

S3. Withdrawal of Land. The Developer shall have the absolute right, but shall have no obligation, to withdraw at any time, or from time to time from the effect of this Declaration any or all of that portion of the Neighborhood Lands on which there is no construction of improvements. The withdrawal of lands as aforesaid shall be made and evidenced by the recording in the Public Records of St. Lucie County, Florida of a Supplemental Declaration unilaterally executed by the Developer, describing the lands to be withdrawn. Developer reserves the right to so amend and supplement this Declaration without the consent or joinder of the Association, or of any Member and/or Mortgagee of a Home (of any other property) in the Development. Upon the filing of such a Supplemental Declaration, all such land described therein shall be relieved from the effect of this Declaration and any restrictions, obligations or lien rights hereunder.

S4. Annexation of Additional Property. Additional real property may be annexed by the Developer in whole or in part without the consent of Members, the Association or any mortgagees within ten (10) years of the date of this Declaration. Such annexations, if they are made will subject the annexed real property to the terms and conditions of this Declaration. Annexations will become effective upon the recording of a Supplemental Declaration in the Public Records of St. Lucie County, Florida.

S5. Conveyance of Common Areas to the Association. At such time as Developer closes title to ninety (90%) percent of the Homes to be constructed in the Neighborhood by Developer (and subject to the provisions hereof), or such earlier time as Developer elects, Developer shall convey title to the Common Areas to the Association, which shall be obligated to accept such conveyance.

ARTICLE III

PROPERTY RIGHTS OF DECLARANT, ASSOCIATION, AND OWNERS

S1. Owner's Easements of Access and Enjoyment. Subject to the provisions below, every Owner shall have a non-exclusive right to use and an easement of enjoyment in and to the Common Areas, together with an easement of access to and from and over and across the Common Areas which shall be appurtenant to and shall pass with the title to the Home owned by such Owner, subject to the following:

- (a) The right of the Association to take such steps as are reasonably necessary to protect the Common Areas against foreclosure;
- (b) All provisions of this Declaration and the Articles and By-Laws of the Association;
- (c) Rules and Regulations governing the use and enjoyment of the Common Areas adopted by the Association;
- (d) Restrictions contained on any and all plats of all or any part of the Common Areas or filed separately with respect to all or any part or parts of the Common Areas.
- (e) The right of the Association to suspend voting rights for a period not to exceed 60 days.

S2. Developer's Easements of Access. The Developer reserves for itself and its officers, employees, agents, invitees, contractors and subcontractors, and for the Lessor for proper business purposes, including the construction and sale of Homes and other improvements upon the Neighborhood Lands, the sale of Homes and other residential Homes within the Neighborhood, easements of ingress and egress over and across the Common Areas.

S3. Rights of the Association. The easements granted herein shall be subject to the right of the Association to maintain, manage, operate, repair, and to establish uniform and reasonable Rules and Regulations covering the use of the Common Areas; provided, however, that the

Association may not restrict the persons described in Section 2 of this Article from the reasonable use of the Common Areas in connection with the construction and sale of Homes and other improvements upon the real property of the Neighborhood Lands.

S4. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of ingress and egress over and across the Common Areas to his guests, invitees and family members, and to tenants and contract purchasers of his Home, and their respective guests, invitees and family members.

S5. Easement to Public Rights-of-Way. Notwithstanding anything to the contrary set forth in this Declaration, each Owner of a Home shall have an easement for access to and from his Home to a public right-of-way over a paved common driveway. Developer has an absolute obligation to construct all portions of the common driveway necessary to afford all Home Owners such access.

S6. Easement for Public Service Use and Public Utilities. In addition to the foregoing easements, there shall be and Developer hereby reserves and covenants for itself and all Owners, easements of ingress and egress over and across the Common Areas for public services (including, without limitation, the right of the police and fire department to enter upon any part of the Common Areas for the purpose of rendering their respective services) and for agents and employees of utility companies servicing the Neighborhood.

S7. Waiver of Use. No Owner may exempt himself from personal liability for Assessments or Special Assessments duly levied by the Association against a Member, or release the Home owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Areas or by abandonment of his Home.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

S1. Membership. Every person or entity who is an Owner of a Home and the Developer shall be a Member of the Association. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the Association. Membership in the Association shall not be assignable, except to the successor-in-interest of the Member.

S2. Voting Rights. The Association shall have two (2) classes of Voting Members, each to be selected and to cast the numbers of votes set forth below:

Class A. Class "A" Member shall be each Owner of a Home in the Neighborhood except the Developer. Each Class "A" Member shall be entitled to one (1) vote.

Class B. The Class B Voting Member shall be Developer. The Class B Voting Member shall be entitled to one (1) vote, plus two (2) votes for each vote to which the Class A Members are entitled to cast from time to time, provided that the Class B Membership shall cease and terminate one (1) year after the last Homesite within the Neighborhood has been sold and conveyed, or at any time prior to that date at the election of the Developer.

S3. Community Association. Each Member of the Association shall be a Member of the Community Association. The Association shall elect three (3) Voting Members who shall represent the interest of all Members of the Association at meetings of the Community Association and shall cast as many votes as there are Homes subject to the jurisdiction of the Association. The Association shall elect its Voting Members in the same manner; and subject to the same terms as to duration of office, removal and qualifications, as it elects its own directors and each Voting Member shall be a director of the Association.

S4. Selection of Voting Members. The Association under shall give written notice to the Community Association of the persons elected or designated as its Voting Members, such notice to be given at or before

the first meeting of the Community Association which the Voting Member is to attend. The Community Association shall be entitled to rely on such notices as constituting the authorization of the Association (and its members) to the designated Voting Members to cast all votes of the Association (and its members) and to bind same in all Community Association matters until such notice is changed, superseded or revoked.

ARTICLE V

DUTIES AND POWERS OF ASSOCIATION

The Association, acting through the Board of Directors, shall also have the power and duty to:

- (a) Maintain, repair and replace the improvements, paving and landscaping included in the Common Areas;
- (b) Provide for, maintain and administer Community Services for the benefit of the Members of the Association.
- (c) Obtain water, electric and such other utility services as may be required for the operation of the Common Areas;
- (d) Grant easements, rights-of-way, or strips of land, where necessary, for utility and sewer facilities over the Common Areas to serve the Common Areas and other portions of the Neighborhood.
- (e) Maintain such policy or policies of liability and fire insurance with respect to the Common Areas, improvements therein and personal property, if any, owned by the Association or the Developer and providing such other insurance as directed by this Declaration and the By-Laws of the Association;
- (f) Employ or contract with a Management Company to perform all or any part of the duties and responsibilities of the Association, and shall have the power to delegate its powers to committees, officers and employees.
- (g) Collect Community Association Assessments and Club Charges and remit same to the Community Association and Club Owner respectively
- (h) To elect three (3) members of the Board of Directors as delegates (Neighborhood Voting Members) to the Community Association.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

§1. Creation of the Lien and Personal Obligation of Assessments. Developer, for each Home now or hereafter owned by it, hereby covenants, and each Owner of any Home by acceptance of a deed therefor whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (i) annual Assessments and (ii) Special Assessments and such assessments for Common Expenses to be established and collected as hereinafter provided. The obligation of each Home for its respective assessments shall commence on the date a certificate of occupancy is issued to the Home. Such assessments, together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on the land and shall be a continuing lien upon the Home against which such assessment is made. The aforesaid lien shall also include any sums advanced on behalf of a Homeowner in payment of his Community Association assessments or Club Charges. A pro rata share of such assessment, together with a pro rata share of interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such Home at the time when the assessment fell due. Subject to the provisions of this Declaration protecting first Mortgagees, the personal obligation for delinquent assessments shall pass to the successors-in-title of such Owner.

S2. Developer's Liability for Assessments. (i) The Developer shall be excused from the payment of the share of the Common Expenses and Assessments relating to Homes it is offering for sale, for a period beginning with the recording of this Declaration and ending one (1) year from the date of the recording of the Declaration, (the "Guarantee Expiration Date"). However, the Developer must pay the portion of Common Expenses incurred during that period which exceeds the amount assessed against other Home Owners.

(ii) During said period the Developer shall not be obligated to pay the share of the Common Expenses and Assessments attributable to Homes it is offering for sale for which a Certificate of Occupancy has been issued, provided that the regular annual Assessments for Common Expenses imposed on each Home Owner other than the Developer shall not increase during such period more than 15% annually over the amount set opposite such Home's designation (model type) in the Estimated Operating Budget for the first twelve months of operation for the Association contained in the budget delivered to such Home Owner when such Owner contracted to purchase the Home, if applicable; and provided further that the Developer shall be obligated to pay any amount of Common Expenses actually incurred, excluding reserves and management fees, during such period and not produced by the Assessments at the guaranteed level receivable from Home Owners. Developer may, at its sole option, extend the Guarantee Expiration Date from time to time.

S3. Purpose of Assessments. The Assessments levied by the Association shall be used for the benefit of the Common Areas, to cut and edge the lawns on each Homesite, to maintain any other landscaping not part of the Common Areas deemed necessary by the association and to pay all costs incurred by the Association in the carrying out of its duties as set forth herein and in the Articles and By-Laws of the Association.

S4. Damage to Common Areas by Owners. The foregoing maintenance, repairs or replacements within the Common Areas arising out of or caused by the willfull or negligent act of the Owner, his family, guests or invitees shall be done at the said Owner's expense or a Special Assessment therefor shall be made against his Home.

S5. Special Assessments for Capital Improvements and Major Repairs. In addition to any annual Assessments, the Association may levy in any assessment year a Special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of a capital improvement or such other addition upon the Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment in excess of \$10,000.00 shall have the vote or written assent of a majority of the votes of the Owner-Members, excluding therefrom the votes of Developer.

S6. Rate of Assessment. The cost of maintaining the Common Areas is shared by the Owners of all Homes within the Neighborhood. Until Developer's Guarantee Expiration Date, each Home shall be responsible for its respective share of the total amount of assessments based on a fraction, the numerator of which shall be one (1) and the denominator of which shall be 300 based on the present estimate of the total number of Homes to be built in the Neighborhood. Subsequent to Developer's Guarantee Expiration Date and any extension thereof, if applicable, each Home shall be responsible for its respective share of the total amount of assessments, based on a fraction, the numerator of which shall be one (1) and the denominator of which shall be the total number of the type Home subject to Assessments.

S7. Assessments. The Association's Board of Directors shall, from time to time, but at least annually, fix and determine a budget representing the sum or sums necessary and adequate for the continued operation of the Association and shall send a copy of the budgets and any supplement to the budgets to each Member prior to assessing the Members thereon. The Board shall determine the total amount required, including the operational items such as insurance, repairs, replacements, reserves, maintenance and other operating expenses, as well as charges to cover any deficits from prior budgets subsequent to expiration of the guarantee period and capital improvements and reserves approved by the Board. Each Home shall commence paying its share of the

Association assessments commencing on the date a certificate of occupancy is issued for the Home. Different types of Homes, such as, without limitation, single family attached Homes and single family detached Homes or different types of detached or attached Homes may pay different assessments if the services or volume of services supplied to each Home type differs, but all similar Home types will be assessed equally.

§8. Date of Commencement of Assessments: Due Date. The first annual Assessment for Common Expenses shall be adjusted according to the number of months remaining in the fiscal year as set forth in the By-Laws. The Board of Directors shall fix the amount of the annual Assessment against each Home subject to assessment at least thirty (30) days in advance of each Assessment period. Written notice of any change in the amount of the annual Assessment shall be sent to every Owner subject thereto, at least thirty (30) days prior to the effective date of such change. The due dates shall be established by the Board of Directors. Annual Assessments shall be collected monthly, quarterly, semi-annually or annually at the option of the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association setting forth whether the assessments on a specified Home have been paid. A properly executed certificate of the Association as to the status of the assessments against a Home is binding upon the Association as of the date of its issuance.

If possible, at least thirty (30) days prior to the beginning of each fiscal year, the Board of Directors shall prepare and distribute to the Membership of the Association a written, itemized estimate (budget) of the expenses to be incurred by the Association during such year in performing its functions under this Declaration (which may include reasonable provision for contingencies and reserves, if any).

§9. Exempt Property. Assessments shall be assessed only against the Homes which are, from time to time, subject to assessment under the provisions hereof; all other property, whether owned by Developer or another, shall be exempt therefrom.

§10. Maintenance of Exterior of Owners Property. In the event an Owner of any Homesite in the Neighborhood shall fail to maintain the exterior of his Home or the Homesite, other than those portions of the Homesite to be maintained by the Association, in a manner satisfactory to the Association, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees to enter upon said Homesite and to repair, maintain and restore the Homesite and the exterior of the buildings and any other improvements erected thereon.

The cost of such exterior maintenance shall be assessed against the subject Homesite and such assessment shall be a charge on the land and shall be a continuing lien upon the Homesite. Non-payment of such assessment within thirty (30) days from the due date may result in foreclosure of the lien or an action at law against the owner(s) of the Homesite.

ARTICLE VII

ARCHITECTURAL CONTROL AND MAINTENANCE STANDARDS COMMITTEE

§1. Establishment of Committee and Acceptance by the Association. The Association, by virtue of its execution of this Declaration, acknowledges the necessity of maintaining the physical appearance and image of the Neighborhood as a quality residential Development and additionally, that the success of the Developer in developing and selling the remaining portions of the Kings Isle Development is closely related to the physical appearance and image of this Neighborhood and other communities within the Development.

Accordingly, there is established a Committee known as the "Architectural Control and Maintenance Standards Committee" hereinafter referred to as "Committee". The Committee shall be empowered to adopt and promulgate from time to time minimum standards for architectural control and maintenance of the physical appearance of the Neighborhood.

The Community Declaration establishes for the entire Kings Isle Development, an Architectural Control Committee ("ACC") which imposes architectural control over the entire Kings Isle Development. Upon approval from the Committee, approval must also be obtained from the ACC.

52. Members of Committee. The Committee shall consist of three (3) Members designated by the Developer. Each member of the Committee shall be appointed by the Developer and shall hold office until such time as he has resigned or has been removed and his successor has been appointed by Developer. The membership may include building and landscape architects, contractors, subcontractors and other persons that the Developer may deem sufficiently qualified to render an opinion as to architectural control and minimum standards of maintenance.

53. Review of Proposed Construction. With respect to the Neighborhood Lands, no building, exterior wall or other exterior structure, or entry sign shall be commenced, erected or maintained, nor shall any exterior painted surfaces be repainted, nor shall any exterior addition or change or alteration be made to the exterior of any building, nor shall there be any material modification of the landscaping until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing, as to harmony of external design and color and location in relation to surrounding structures and topography, by the Committee. The Committee shall approve proposals or plans and specifications only if submitted for its approval by the Association and only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the Neighborhood and the entire Kings Isle Development, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures. The Committee may condition its approval of proposals or plans and specifications on such changes therein as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may also issue rules or guidelines setting forth procedures for the submissions of plans for approval. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitations, floor plans, site plans, drainage plans, elevations drawings and descriptions or samples of exterior materials and colors. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval. Notwithstanding any provision of this Article, approval of the Committee shall not be required with respect to constructions performed or caused to be performed by the Developer. In the event construction of the improvements proceeds without submitting plans to the Committee or plans are submitted to the Committee by the Association and construction proceeds without the approval of the Committee, the Committee shall have the right but not the duty to take such action as is set forth in Section 6 of this Article IX and any other remedies as may be prescribed by law.

54. Maintenance and Repair Obligations. In the event that any improvements to the Neighborhood Lands fall into disrepair or are not maintained so as to create a dangerous, unsafe, unsightly or unattractive condition, or to otherwise violate this Declaration, the Committee has the right, but not the duty to take such action as is set forth in Section 6 of this Article VIII and any other remedies prescribed by law. The obligations to maintain shall include but not be limited to exterior paint on any building, landscaping, paving, trash removal, repair of exterior building surfaces and vending machine maintenance.

55. Inspections. The Committee shall have the right to inspect from time to time the Neighborhood Lands in order to determine whether the maintenance of same meet the minimum standards and any improvements constructed thereon meet the architectural standards.

56. Remedies in the Event of Non-Compliance. If the Committee shall find that any portion of the Neighborhood Lands are not being maintained in accordance with the minimum standards, or improvements to the Neighborhood Lands are not in compliance with the architectural standards of the Committee, the Committee shall issue a report to the

Developer particularizing the deficiencies and the Developer shall thereafter submit the report to the Board of the Association. Within thirty (30) days of receipt of the report, the Association shall, if pertaining to Common Areas, commence with the repair, maintain, or restoration specified in the report and diligently pursue completion of same in an expeditious manner. The cost of all work on the Common Areas shall be the responsibility of the Association and shall be a Common Expense of the Association. If the deficiencies are in a particular Home, the Association shall notify the Owner of the deficiencies and the Owner shall commence with the repair, maintenance or restoration within 30 days of said notice and diligently pursue completion of same in an expeditious manner. The Association and each Home Owner in the Neighborhood does hereby authorize and vest in the Developer the following power should the Association or Home Owner, whichever is applicable, fails or refuses to commence and complete the maintenance work required by the report of the Committee.

- (a) The Developer may let out for bid the work required by the report of the Committee, negotiate and accept bids and authorize contractors or subcontractors to enter upon the Neighborhood Lands, and the recreational facilities for the purpose of performing the specified work in which case the Developer shall be acting as the agent for the Association or Home Owner, whichever is applicable and the entrance upon the Neighborhood Lands and recreational facilities of those performing the work shall be a lawful entry and shall not be deemed a trespass. Developer shall have the right to pay the contractors or subcontractors performing the work and the Developer is authorized in its own name to record a lien against the Association or Home Owner, among the Public Records of St. Lucie County, Florida, in the amount of the costs of said work that the Developer has expended which lien shall be deemed a lien against the Common Areas or Homesite for which the work was performed, which lien shall remain in effect until such time as it is satisfied or record by the payment to the Developer of the monies expended by it together with interest at the rate of eighteen (18%) percent per annum from the date of the expenditure. The recordation of the lien is hereby deemed to constitute constructive notice to third parties of the existence of the lien and all sales, mortgages or other transfers or conveyances subsequent to the recording date shall be subject to the lien rights of the Developer. The Association and each Home Owner gives and grants unto Developer the power to foreclose its lien in the event that it remains unpaid and agrees that the procedures to be utilized in said foreclosure proceeding shall be those set forth in the Statutes of the State of Florida relating to the foreclosure of a mechanic's lien and any and all defenses or rights to contest are hereby waived.
- (b) Alternatively, upon receiving the bids of contractors and subcontractors for the work required to be done by the report of the Committee, Developer may elect not to cause said work to be done, and notwithstanding that, to record the lien prescribed above in the amount of the bids of contractors and subcontractors for the work set forth in the Committee report. Upon payment of the lien to the Developer, the Developer shall then cause the work to be performed and to pay the contractors and subcontractors performing the work from the proceeds satisfying the lien. Upon payment of the contractors and subcontractors, Developer shall render to the Association or Home Owner, whichever is applicable, a report setting forth to whom and what amounts the funds were disbursed. The lien herein prescribed shall have the same priority upon recordation and shall be foreclosurable in the same manner as that set forth in Section 6(a) of this Article VII.

The report of the Committee shall be conclusive as to the nature of the work required to be done and the bids accepted by Developer shall be conclusive as to price.

ARTICLE VIII

EFFECT OF NON-PAYMENT OF ASSESSMENTS
(OR SPECIAL ASSESSMENTS); REMEDIES OF
THE ASSOCIATION

S1. Effect of Non-Payment of Assessments (or Special Assessments): Remedies of the Association. Any installment of an Assessment or Special Assessment not paid within fifteen (15) days after the due date shall bear interest from the due date of such installment at the rate of eighteen (18%) percent per annum. If any installment of an Assessment or Special Assessment is not paid within thirty (30) days after it is due, the Owner responsible therefor may be required further by the Board of Directors to pay a late charge of Twenty-Five (\$25.00) Dollars. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Home. No Owner may waive or otherwise escape liability for the Assessments or Special Assessments provided for herein by non-use of the Common Areas or abandonment of his Home. If any installment of an Assessment or Special Assessment is not paid within thirty (30) days after its due date, the Board may mail an acceleration notice to the Owner and to each first Mortgagee of a Home which has requested a copy of the notice. The notice shall specify (i) the fact that the installment is delinquent; (ii) the action required to cure the default including the amount that can be paid by the Owner to prevent a lien being filed on that Owner's Home; (iii) a date not less than thirty (30) days from the date the notice is mailed to the Owner, by which such default must be cured; and (iv) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the Assessment or Special Assessment for the then current fiscal year and sale of the Home pursuant to foreclosure of the lien securing the unpaid Assessment or Special Assessment. The notice shall further inform the Owner of his right to cure after acceleration and to bring a court action to assert the non-existence of a default or any other defense of the owner to acceleration and sale.

If the delinquent installments of Assessments or Special Assessments and any charges thereon are not paid in full on or before the date specified in the notice, the Board, at its option, may declare all of the unpaid balance of the annual Assessment or Special Assessment to be immediately due and payable without further demand and may enforce the collection of the full Assessment or Special Assessment and all charges thereon in any manner authorized by law and this Declaration.

S2. Notice of Claim of Lien. No action shall be brought to enforce any Assessment or Special Assessment lien herein, unless at least thirty (30) days has expired following the date a Notice of Claim of Lien is deposited in the United States mail, a copy thereof has been recorded by the Association in the office of the Clerk of Circuit Court of St. Lucie County, Florida; said Notice of Claim of Lien must recite a good and sufficient legal description of any such Home, the record owner or reputed Owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid Assessment or Special Assessment at eighteen (18%) percent, plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the Claimant. Such Notice of Claim of Lien shall be signed and acknowledged by an officer of the Association.

S3. Foreclosure Sale. The Assessment or Special Assessment lien set forth herein may be foreclosed in the same manner as mortgages are foreclosed under Florida law. The Association, through duly authorized agents, shall have the power to bid on the Home at foreclosure sale, and to acquire and hold, lease, mortgage and convey same.

S4. Curing of Default. Upon the timely curing of any default for which a Notice of Claim of Lien was filed by the Association, the officers thereof shall record an appropriate Release of Lien, upon payment by the defaulting owner of a fee, to be determined by the Association, but not to exceed One Hundred Fifty (\$150.00) Dollars, to cover the cost of preparing and recording such release. A certificate executed and acknowledged by any two (2) Members of the Board or by the Management Company stating the indebtedness secured by the liens upon

any Home created hereunder shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner upon request at a reasonable fee, not to exceed Fifty (\$50.00) Dollars.

§5. Cumulative Remedies. The Assessment or Special Assessment liens and the rights to foreclose and sale thereunder, shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid Assessments or Special Assessments, as above provided.

§6. Subordination of the Lien to Mortgages. The lien of the Assessments or Special Assessments provided for herein shall be subordinate to the lien of any first Mortgage (meaning any recorded Mortgage with first priority or seniority over other mortgages) made in good faith and for value and recorded prior to the date on which the Notice of Claim is recorded. Sale or transfer of any Home shall not affect the Assessment or Special Assessment lien. However, the sale or transfer of any Home pursuant to the mortgage foreclosure or deed in lieu thereof, shall extinguish the lien of such Assessments or Special Assessments as to installments which become due prior to such sale or transfer. No sale or transfer shall relieve such Home from liability for any Assessments or Special Assessments thereafter becoming due or from the lien thereof. Liens for Assessments or Special Assessments under this Article shall be inferior to the liens for Club Charges charged by the Club and liens for assessments charged by the Community Association.

ARTICLE IX

MAINTENANCE AND REPAIR OBLIGATIONS

The Association shall maintain, or provide for the maintenance of all of the Common Areas (including, without limitation, paving, lighting and landscaping) and, at its option, may maintain or provide for the maintenance of other property as elsewhere provided for herein.

ARTICLE X

COMMUNITY DECLARATION

The Declaration shall be subject to and subordinate to the Community Declaration and the terms and conditions thereof, including, without limitation Article IX thereof which specifically applies to this Declaration and Association.

ARTICLE XI

INSURANCE

§1. Common Areas. The Board of Directors shall maintain public liability insurance, to the extent obtainable, covering each Association Member, lessee and occupant, and the managing agent, if any, against liability for any negligent act of commission or omission attributable to them which occurs on or in the Common Areas. To the extent obtainable, the Board of Directors shall also be required to obtain the following insurance: (a) fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring the facilities on the Common Properties, in an amount equal to their full replacement values, and (b) worker's compensation insurance. In addition, the Board shall have the right to obtain Directors' and Officers' liability insurance, fidelity insurance and other insurance it may deem proper to protect the Association, its members and property. All insurance premiums for such coverage shall be paid for by the Association and assessed as appropriate to all Owners.

§2. Homes.

(a) Each Owner shall be required to obtain and maintain adequate insurance of his Home, which shall insure the property for its full replacement value, with no deductions for depreciation, against loss by fire, flood, if in a flood zone, or other hazards. Such insurance shall

be sufficient to cover the full replacement value, or for necessary repair or reconstruction work. Such insurance shall be written in a manner acceptable to the Board of Directors of the Association, and shall contain a clause which provides ten (10) days prior written notice to the Board of Directors of the Association before the policy can be cancelled. Each Owner shall be required to supply the Board of Directors with evidence of insurance coverage on his Home which complies with the provisions of this Section.

If the insurance provided under this Section has not otherwise been adequately obtained by each Owner, as determined by the Board of Directors, then the Board shall obtain such insurance coverage. Insurance obtained by the Board of Directors shall be written in the name of the Association as Trustee for the benefit of the applicable Home Owner.

Premiums for insurance obtained by the Board of Directors, as provided hereinabove, shall not be a part of the common assessment or expense, but shall be an individual assessment (special assessment) payable in accordance with the provisions of Article VI of this Declaration.

Each Owner shall be required to reconstruct or repair any Home, destroyed by fire or other casualty, covered by insurance written in the name of the Association as Trustee. The insurance proceeds shall be deposited in a bank or other financial institution, subject to withdrawal only by the signature(s) of an agent(s) duly authorized by the Board of Directors. If no repair or rebuilding has been contracted for, or otherwise substantially started by the Owner within thirty (30) days of the receipt of the insurance proceeds, the Board of Directors shall itself initiate the repair or rebuilding of the damaged or destroyed portions of the structure and/or exterior of the Home, in a good and workmanlike manner in conformance with the original plans and specifications. The Board of Directors may advertise for sealed bids from any licensed contractors and may then negotiate with said contractors. The contractor or contractors selected to perform the work shall provide full performance and payment bonds for such repair or rebuilding, unless such requirement is waived by the Board of Directors. In the event the insurance proceeds are insufficient to fully pay the costs of repairing and/or rebuilding the damaged or destroyed portions in a good and workmanlike manner, the Board of Directors shall levy a special assessment against the Owner in whatever amount sufficient to make up the deficiency. If the insurance proceeds exceed the cost of repairing and/or rebuilding, such excess shall be paid over to the respective Owner and/or the Owner's mortgagee in such portions as shall be independently determined by those parties.

In the event of damage or destruction by fire or other casualty to any Home covered by adequate insurance written in the name of the individual Owner thereof, then such Owner shall, with the concurrence of the Owner's mortgagee, if any, within thirty (30) days of the receipt of the insurance proceeds, contract for or otherwise substantially start the repair or rebuilding of the damaged or destroyed portions of the structure and/or exterior of the Home in a good and workmanlike manner in conformance with the original plans and specifications. If such Owner refuses or fails, for any reason, to so repair or rebuild as provided, then the Association by and through its Board of Directors is hereby irrevocably authorized by such Owner to repair and rebuild such damaged or destroyed portions of the Home in a good and workmanlike manner in conformance with the original plans and specifications thereof. The Board of Directors shall levy a special assessment against the Owner in whatever amount sufficient to adequately pay for such repair or rebuilding of this type.

(b) Should the Association obtain the insurance coverage on a Home pursuant to Section 2 of this Article XI, then the Association may charge and the applicable Owner shall be responsible for, as a special assessment against the Homesites, an administration fee of \$100.00.

(c) Notwithstanding anything to the contrary in Section 2 of this Article XI, the Association, its Directors or Officers, shall not be liable to any person should it fail for any reason whatsoever to obtain insurance coverage on Home.

ARTICLE XII

MORTGAGEE PROTECTION

The following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

- (a) Each first mortgagee of a Mortgage encumbering any Home, at its written request, is entitled to written notification from the Association of any default by the Mortgagor of such Home in the performance of such Mortgagor's obligations under this Declaration, the Articles of Incorporation of the Association or the By-Laws of the Association, which default is not cured within thirty (30) days after the Association learns of such default.
- (b) Each first mortgagee of a Mortgage encumbering any Home which obtains title to such Home pursuant to the remedies provided in such Mortgage or by foreclosure of such Mortgage, shall take title to such Home free and clear of any claims of unpaid assessments or charges against such Home which accrued prior to the acquisition of title to such Home by the Mortgagee.
- (c) First Mortgagees shall have the right to examine the books and records of the Association during normal business hours.

ARTICLE XIII

PARTY WALLS AND PARTY FENCES

S1. Each wall which is built as a part of the original construction of the Homes within a grouping of attached Homes and placed on the dividing line between two or more Homes shall constitute a party wall and each fence which is built as a part of the original construction of the Homes and placed on the dividing line between two Homesites shall constitute a party fence. To the extent not inconsistent with the provision of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willfull acts or omissions shall apply to the party walls and party fences.

S2. The cost of reasonable repair and maintenance of a party wall and/or party fence shall be shared by the Owners who make use of the wall or fence in proportion to such use.

S3. If a party wall and/or party fence is destroyed or damaged by fire or other casualty, any Owner who has used the wall and/or fence may restore it, and if the other Owners thereafter make use of the wall and/or fence, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a large contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

S4. Notwithstanding any provision of this Article, an Owner who, by his negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

S5. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

S6. In the event of any dispute arising concerning a party wall and/or party fence under the provisions of this Article, each party shall choose an arbitrator, and such arbitrator shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE XIV

USE RESTRICTIONS

§1. NO TRADE OR BUSINESS. No trade, business, profession, or commercial activity, or any other non-residential use, shall be conducted upon any portion of the Neighborhood or within any Homesite or Home.

§2. PROHIBITION AGAINST ENCLOSURE OF GARAGES. Notwithstanding anything contained herein to the contrary, no garages shall be enclosed or converted into a living area, and must at all times be useable as a garage for car storage purposes.

§3. OUTSIDE STORAGE OF PERSONAL PROPERTY. The personal property of any resident of the Neighborhood shall be kept inside the resident's Home or a fenced or a walled-in yard, except for tasteful patio furniture and other personal property commonly kept outside.

§4. PORTABLE AND TEMPORARY BUILDINGS. No portable, storage, temporary or accessory buildings or structures, or tents, shall be erected, constructed or located upon any Homesite for storage or otherwise, without the prior written consent of the Association.

§5. GARBAGE AND TRASH. Each Owner shall regularly pick up all garbage, trash, refuse or rubbish on the Owner's Homesite. Garbage, trash, refuse or rubbish that is required to be placed at the front of the Homesite in order to be collected may be placed and kept at the front of the Homesite after 5:00 p.m. on the day before the scheduled day of collection, and any trash facilities must be removed on the collection day. All garbage, trash, refuse or rubbish must be placed in appropriate trash facilities or bags. All containers, dumpsters or garbage facilities shall be stored inside a Home or fenced-in area and screened from view and kept in a clean and sanitary condition. No noxious or offensive odors shall be permitted.

§6. PARKING. The parking facilities shall be used in accordance with the regulations adopted by the Community Association. Owners automobiles shall be parked in the garage or driveway. All lawn maintenance vehicles shall park on the driveway of the Homesite and not in the roadway or swale.. No vehicle which cannot operate on its own power shall remain on the Properties for more than twelve hours, except in the garage of a Home. No repair, except emergency repair, of vehicles shall be made within the Properties, except in the garage of a Home. No commercial vehicle, recreational vehicle, boat or camper, may be kept in the Community except in the garage of a Home. The term commercial vehicle shall not be deemed to include recreational vehicles (i.e. Broncos, Blazers, Explorers, etc.) up to 21'5" or clean "non-working" vehicles such as pick-up trucks, vans or cars if they are used by the Owner on a daily basis for normal transportation.

§7. PETS. No animals, livestock or poultry of any kind shall be permitted within the Neighborhood except that one dog or one cat not to exceed 25 pounds may be kept in each Home. Any pet must be carried or kept on a leash when outside of a Home or fenced-in area. No pet shall be kept outside of a Home unless someone is present in the Home. Any pet must not be an unreasonable nuisance or annoyance to other residents of the Neighborhood. Any resident shall pick up and remove any solid animal waste deposited by his pet on the Neighborhood, except for designated pet-walk areas, if any. No commercial breeding of pets is permitted within the Neighborhood. The Association may require any pet to be immediately and permanently removed from the Neighborhood due to a violation of this paragraph.

§8. AIR CONDITIONING UNITS. Only central air conditioning units are permitted, and no window, wall, or portable air conditioning units are permitted.

§9. CHOMESITEHESLINES AND OUTSIDE CHOMESITEHES DRYING. No cHomesitehesline or cHomesitehespole shall be erected, and no outside cHomesitehes drying is permitted, except where such activity is advised or mandated by governmental authorities for energy conservation purposes, in which event the Association shall have the right to approve

the portions of any Homesite used for outdoor clothes drying purposes and the types of devices to be employed in this regard, which approval must be in writing.

§10. NUISANCES. No nuisance shall be permitted within the Neighborhood, and no use or practice which is an unreasonable source of annoyance to the residents within the Neighborhood or which shall interfere with the peaceful possession and proper use of the Neighborhood by its residents shall be permitted. No unreasonably offensive or unlawful action shall be permitted and all laws, zoning ordinances and regulations of all controlling governmental authorities shall be complied with at all times by the Owners.

§11. OUTSIDE ANTENNAS. No outside signal receiving or sending antennas, dishes or devices are permitted.

§12. SIGNS. No signs shall be placed in or upon any Home or Homesite which are visible from the exterior of the Home.

§13. WINDOW TREATMENTS. Window treatments shall consist of drapery, blinds, decorative panels, or other tasteful window covering, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding one (1) week after an Owner or tenant first moves into a Home or when permanent window treatments are being cleaned or repaired.

§14. WELLS AND SEPTIC TANKS. No individual wells will be permitted on any Homesite within this Neighborhood, and no individual septic tanks will be permitted on any Homesite within this Neighborhood. This restriction will be enforceable as long as the water services and sewage disposal are in operation, satisfactorily servicing each Homesite on which a completed building is located in said Neighborhood in accordance with the standard requirements as provided for by the State Board of Health Regulations and the charge for said services, as set forth in the rate schedule in the third Party Beneficiary Agreement placed of record, covering said utilities, is not in excess of the amounts provided for therein or as modified and changed in accordance with legal procedure in the future.

§15. OIL AND MINING OPERATIONS. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Homesite, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Homesite. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any Homesite.

§16. VISIBILITY IN CORNER HOMESITES. Notwithstanding anything to the contrary in these restrictions, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by the Department of Public Works.

§17. BARBECUES. Barbecues may be located or permitted upon the back patio or yard of a Home and upon such portions of the Common Area as are, from time to time, designated by the Association; provided, however, that barbecuing shall be subject to such rules and regulations as may be promulgated from time to time by the Board.

§18. REMOVAL OF SOD AND SHRUBBERY; ADDITIONAL PLANTING. No sod, topsoil, trees or shrubbery shall be removed from the Neighborhood, no change in the elevation of such areas shall be made and no change in the condition of the soil or the level of the land of such areas shall be made which results in any permanent change in the flow and drainage of surface water which the Board, in its sole discretion, considers detrimental; provided, however, that Owners may place additional plants, shrubs or trees upon their respective Homesites subject to approval by the Board or its appointed Committee.

§19. INCREASES IN INSURANCE RATES. No Owner may take any action which will result in an increase in the rate of any insurance policy or policies covering any portion of the Neighborhood.

§20. CASUALTIES. In the event that a Home or any part thereof is destroyed by casualty or otherwise, or in the event any improvements upon the Common Area are damaged or destroyed by casualty or otherwise,

the Owner thereof or the Association, as the case may be, shall promptly clear all debris resulting therefrom and (subject to the duties and obligations of the Association) commence either to rebuild or repair the damaged improvements in accordance with the terms and provisions of this Declaration.

S21. RECONSTRUCTION. Any repair, rebuilding or reconstruction on account of casualty or other damage to any Common Area or any part or parts thereof, shall be substantially in accordance with the plans and specifications for such property and areas as originally constructed or with new plans and specifications approved by the Board or its appointed Committee. Any repair, rebuilding or reconstruction on account of casualty or other damage to any Home or any part or parts thereof shall be substantially in accordance with the plans and specifications for such property and areas as originally constructed or the new plans and specifications approved by the Board or its appointed Committee, and the Owner of such Home.

S22. RULES AND REGULATIONS. The Association may adopt additional reasonable rules and regulations relating to the use and maintenance of the Neighborhood, and rules and regulations relating to the recreational facilities within the Neighborhood may be posted at such recreational facilities. Copies of such rules and regulations and amendments shall be furnished by the Association to an Owner upon request.

S23. WAIVER. The Association shall have the right to waive the application of one or more of these restrictions, or to permit a deviation from these restrictions, as to any Homesite where, in the discretion of the Board, circumstances exist which justify such waiver or deviation. In the event of any such waiver or permitted deviation, or in the event any party fails to enforce any violation of these restrictions, such actions or inactions shall not be deemed to prohibit or restrict the right of the Association, or any other person having the right to enforce these restrictions, from insisting upon strict compliance with respect to all other Homesites, nor shall any such actions be deemed a waiver of any of the restrictions contained herein as same may be applied in the future. Notwithstanding the foregoing, so long as Developer owns any Homesite, if any waiver or deviation of any restriction requires the consent of the Association, such consent shall be obtained from Developer and not from the Association, unless Developer voluntarily relinquishes this right at an earlier date.

S24. EXCEPTIONS. The foregoing use and maintenance restrictions shall not apply to Developer, or to any portion of the Neighborhood while owned by Developer, and shall not be applied in a manner which would prohibit or restrict the development of any portion of the Neighborhood and the construction of any Homes and other improvements thereon, or any activity associated with the sale of any new Homes by Developer. Specifically, and without limitation, Developer shall have the right to: (i) construct any buildings or improvements within the Neighborhood, and make any additions, alterations, improvements, or changes thereto; (ii) maintain customary and usual sales, general office and construction operations on the Neighborhood; (iii) place, erect or construct portable, temporary or accessory buildings or structures upon the Neighborhood Lands for sales, construction, storage or other purposes; (iv) temporarily deposit, dump, accumulate materials, trash, refuse and rubbish in connection with the development or construction of the Neighborhood; and (v) post, display, inscribe or affix to the exterior of a Home or upon the Neighborhood, signs and other materials used in developing, constructing, selling or promoting the Neighborhood.

S25. LEASES. No portion of a Home (other than an entire Home) may be rented. All leases shall be on forms approved by the Association and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Articles and By-Laws of the Association, applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing the Neighborhood or administered by the Association. Leasing of Homes shall also be subject to the prior written approval of the Association and the Association may reject the leasing of any Home on any grounds the Association elects. No lease shall be approved for a term of less than ninety days. Only two (2) leases shall be permitted within a 365 day period, which 365 day

period shall be deemed to commence on the date of the lease. This Section 17.8 shall remain in force and effect for a period of five (5) years from the date Home Owners other than Developer elect a majority of the Board of Directors of the Association. Thereafter, this Section shall remain in effect until Home Owners owning not less than eighty (80%) percent of the voting interests represented at any meeting at which a quorum has been attained vote to change this Section in whole or in part. As a condition to the approval by the Association of a proposed lease of a Home, the Association, has the authority to require a security deposit in an amount not to exceed the equivalent of one month's rent be deposited into an escrow account maintained by the Association. The security deposit shall protect against damages to the Common Areas or Association Property. Within 15 days after a tenant vacates the Home the Association shall refund the full security deposit or give written notice to the tenant of any claim made against the security. Disputes under this Section 25 shall be handled in the same fashion as disputes concerning security deposits under Florida Statutes, Section 83.49. The Home Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. All leases shall also comply with and be subject to the provisions of Section 26 hereof.

S26. SELLING, LEASING AND MORTGAGING OF HOMES. No Home Owner other than the Developer may sell or lease his Home except by complying with the following provisions:

S26.1 Right of First Refusal. Any Home Owner who receives a bona fide offer to purchase or lease his Home (such offer to purchase or lease a Home, as the case may be, is called an "Outside Offer" the party making any such Outside Offer is called an "Outside Offeror" and the Home Owner to whom the Outside Offer is made is called an "Offeree Home Owner"), which he intends to accept shall give notice by registered mail to the Board of Directors of the receipt of such Outside Offer. Said Notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Directors may reasonably require. The giving of such notice to the Board of Directors shall constitute an offer by such Home Owner to sell his Home or to lease his Home to the Association or its designee upon the same terms and conditions as contained in such Outside Offer and shall also constitute a Warranty and representation by the Home Owner who has received such Outside Offer to the Association that such Home Owner believes the Outside Offer to be bona fide in all respects. The Offeree Home Owner shall submit in writing such further information with respect thereto as the Board of Directors may reasonably request. Not later than twenty (20) days after receipt of such notice, together with such further information as may have been requested, the Association or its designee may elect, by sending written notice to such Offeree Home Owner before the expiration of said twenty (20) day period, by certified mail, to purchase such Home or to lease such Home as the case may be, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Home Owner. In the event the Association shall timely elect to purchase such Home or to lease such unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Association, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Association of its election to accept such offer. If, pursuant to such Outside Offeror was to assume or take title to the Home subject to the Offeree Home Owner's existing mortgage or mortgages, the Association may purchase the Home and assume or take title to the Home subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Home Owner, if such Home is to be sold, shall convey the same to the Association, or to its designee, by statutory warranty deed, with all tax and/or documentary stamps affixed at the expense of such Home Owner, who shall also pay all other taxes arising out of such sale. Title shall be good and marketable and insurable and the Offeree Home Owner shall deliver an abstract or provide a title

binder (and subsequently, title insurance) at its expense at least thirty (30) days prior to such closing. Real estate taxes, mortgage interest, if any, and Common Expenses shall be apportioned between the Offeree Home and the Association, or its designee, as of the closing date. In the event such Home is to be leased, the Offeree Home Owner shall execute and deliver to the Board of Directors or to its designee, a lease between the Offeree Home Owner, as landlord, and the Association, or its designee, as tenant, covering such Home, for the rental and term contained in such Outside Offer.

In the event the Association or its designee shall fail to accept such offer or, in the case of a lease, shall fail to reject the proposed lease as permitted by Section 25 hereof, within thirty (30) days after receipt of notice and all additional information requested, as aforesaid the Offeree Home Owner shall be free to accept the Outside Offer within sixty (60) days after (i) notice of refusal is given by the Association, or (ii) the expiration of the period in which the Association or its designee might have accepted such offer, as the case may be. In the event the Offeree Home Owner shall not, within such sixty (60) day period, accept, in writing, the Outside Offer or if the Offeree Home Owner shall accept the Outside Offer within such sixty (60) day period but such sale or lease, as the case may be, shall not be consummated in accordance with the terms of such Outside Offer or within a reasonable time after the date set for closing thereunder, then, should such Offeree Home Owner thereafter elect to sell such Home or to lease such Home, as the case may be, the Offeree Home Owner shall be required to again comply with all of the terms and provisions of this Section.

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

Any lease executed in connection with the acceptance of any Outside Offer to lease a Home shall be consistent herewith and with the By-Laws and rules and regulations and shall provide specifically that (i) it may not be modified, amended, extended or assigned without the prior consent in writing of the Board of Directors, (ii) the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board of Directors, and (iii) the Board of Directors shall have the power, but shall not be obligated, to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (a) a default by the tenant in the performance of its obligations to comply with the documents described in the preceding unnumbered paragraph under such lease, or (b) a foreclosure of the lien granted under the Act. Such lease shall also comply with the provisions of Section 25 hereof.

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

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

(including attorney's fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions shall not apply to Homes owned by or leased to the Developer or by or to any first mortgagee acquiring title by foreclosure or by a deed in lieu of foreclosure. The Developer and such first mortgagees shall have the right to sell, lease or sublease Homes they own or lease without having to first offer the same for sale or lease to the Association.

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

(b) Release by the Association of the Right of First Refusal. The right of first refusal contained in Section 26 may be released or waived by the Association only in the manner provided in Section (c) hereof. In the event the Association shall release or waive its right of first refusal as to any Home, such Home may be sold, conveyed or leased free and clear of the provisions of this Section 26.

(c) Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by an officer of the Association stating that the provisions of this Section 26 have been satisfied by a Home Owner, or stating that the right of first refusal contained therein has been duly released or waived by the Association and that, as a result thereof, the rights of the Association thereunder have terminated. The certificate shall be conclusive with respect to all persons who rely on such certificate in good faith. The Board of Directors shall furnish such certificate upon request to any Home Owner in respect to whom the provisions of such Section have, in fact, terminated or been waived.

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

§27. Occupancy. Each Home shall be used as a residence only, except as otherwise herein expressly provided. A Home owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by the following persons, and such persons' families and guests: (i) the individual Home Owner, (ii) an officer, director, stockholder or employee of such corporation, (iii) a partner or employee of such partnership, (iv) the fiduciary or beneficiary of such fiduciary, or (v) permitted occupants under an approved lease or sublease of the Home (as described below), as the case may be.

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

Under no circumstances may more than one family reside in a Home at one time. "Families" or words of similar import used herein shall be deemed to include spouses, parents, parents-in-law, brothers and sisters. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two (2) persons per bedroom with a maximum of 4 persons per Home. The Board of Directors shall have the power to authorize occupancy of a Home by persons in addition to those set forth

above. The provisions of this Section 27 shall not be applicable to Homes used by the Developer for model apartments, sales offices, other offices or management services.

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

Children shall be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Neighborhood and including full compliance by them of these restrictions and all rules and regulations of the Association. All children under eighteen (18) years of age must be accompanied by a responsible adult when entering and/or utilizing the Recreation Area or any other commonly used facilities.

ARTICLE XV

GENERAL PROVISIONS

§1. Enforcement. This Declaration, the Articles of Incorporation and By-Laws may be enforced as follows:

- (a) Breach of any of the covenants contained in the Declaration or the By-Laws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by any Owner, the Developer, by the Association or the successors-in-interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorney's fees in an amount as the Court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and Court costs.
- (b) The result of every act or omission whereby any of the covenants contained in this Declaration or the By-Laws are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors-in-interest.
- (c) The remedies herein provided for breach of the covenants contained in this Declaration or in the By-Laws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.
- (d) The failure to enforce any of the covenants contained in this Declaration or in the By-Laws shall not constitute a waiver of the right to enforce thereafter.
- (e) A breach of the covenants, conditions and restrictions contained in this Declaration or in the By-Laws shall not

affect or impair the lien or charge of any Mortgage made in good faith and for value on any Home, provided, however, that any subsequent Owner of such Home shall be bound by said covenants, whether such Owner's title was acquired by foreclosure sale or otherwise.

S2. Severability. Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no way affect any other provisions which shall remain in full force and effect.

S3. Term. The covenants and restrictions of this Declaration shall run with and bind the Neighborhood Lands covered thereby, and shall inure to the benefit of and be enforceable by the Association, the Developer or the Owner of any Home subject to this Declaration, their respective legal representatives, successors, heirs and assigns, for a term of forty (40) years from the date this Declaration is recorded, after which time said covenants, conditions, reservation of easements, equitable servitudes and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument, approved by the then Owners of a majority of the Homes, has been recorded, agreeing to change said covenants and restrictions in whole or in part.

S4. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the maintenance of community recreational facilities and other commonly used facilities. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural, the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

S5. Amendments. The developer shall have the right, at any time until the termination of the class B membership to amend this Declaration as it, in its sole discretion, deems appropriate. After the class B member terminates, except as provided to the contrary herein or as otherwise consented to by Developer, this Declaration may be amended at any time, and from time to time, upon the recordation of an instrument executed by the Association upon vote of: (i) seventy-five percent (75%) of the Board; and (ii) the Owners who are entitled to vote seventy-five percent (75%) of all votes of each class of voting membership in the association who are entitled to vote on the matter as set forth in the Articles and By-Laws. Until the termination of the class B membership, the Developer's written consent to any amendment must first be obtained. No amendment, whether before or after the termination of the class membership, shall affect the rights of Developer without the prior written consent of the Developer, which may be withheld in alter the subordination provisions of this Declaration without prior approval of any mortgagee enjoying the benefit of such provisions.

Notwithstanding anything contained herein to the contrary, if the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to this Declaration then the prior written consent of such entity or agency must also be obtained.

S6. No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Common Areas to the public, or for any use. However, the Association shall have the right to dedicate or transfer all or any part of the Common Areas to any municipality, public agency or authority for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless an instrument in writing executed by not less than Members owning two-thirds (2/3) of the Members subject to assessment and by the Developer (provided that at said time the Developer still owns any portion of the Neighborhood Lands).

S7. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Home or other portion of the real property in the Neighborhood does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant

contained herein, whether or not any reference to these restrictions is contained in the instrument by which said person acquired an interest in such property.

58. Additions to Common Areas. Until the Developer shall have completed development, promotion and sale of all Homes to be located in the Neighborhood, Developer (or anyone claiming by, through or under Developer) shall have the right in its sole discretion to add additional facilities or improvements to the Common Areas. Developer shall be the sole judge as to the size, contents, designs, style, plans and specifications on all of such additional facilities or improvements and the equipment and personalty contained therein; and Developer shall also have the right, in its sole discretion, to add additional lands and improvements and shall, upon designation by Developer, be deemed part of the Common Areas and subject to all of the terms and provisions of this Declaration and, except as otherwise set forth herein, the Members shall be obligated to pay their proportionate share of all taxes, assessments, insurance, utilities, maintenance, management, and other expenses of operation of such additions as if they were a portion of the original Common Areas. In the event Developer decides to construct such additional improvements, Developer shall also have the right to record such instruments in the Public Records of St. Lucie County, Florida, as are necessary for the construction, provided that title is delivered in accordance with the provisions of this Declaration.

59. Use of Common Areas. Until the Developer shall have completed development, promotion and sale of all housing units to be located at the Neighborhood, Developer (or anyone claiming by, through or under Developer) shall have the following rights with regard to the Common Areas (without cost or charge):

- (a) the right to use and occupy on a non-exclusive basis any portion of the Common Areas for sales, promotional or administrative purposes;
- (b) the right to use, occupy and demonstrate, on a non-exclusive basis, all of the Common Areas for the purpose of promotion and aiding in the sale or rental of the residential units on or to be constructed at the Neighborhood.

510. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

511. Refund of Taxes, Fees and Other Charges. Unless otherwise provided herein, Association agrees that any taxes, fees or other charges paid by the Developer to any governmental authority, utility company or any other entity which at a later date are refunded in whole or in part, shall be returned to the Developer in the event said refund is received by the Association.

Developer has executed this Declaration as of the date first written above.

Signed, sealed and delivered
in the presence of:

Janet S. English
Janet S. English

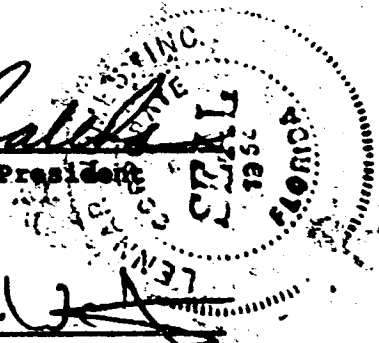
Print Name

Jill Armstrong Lopez
Jill Armstrong Lopez

LENNAR HOMES, INC.

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

Attest: M. J. Watsky
Morris J. Watsky,
Ass't. Secretary



OF BOOK 0850 PAGE 0482

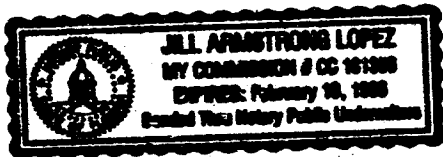
STATE OF FLORIDA)
) SS:
COUNTY OF DADE)

The foregoing Declaration of Covenants, Restrictions and Easements was acknowledged before me this 12th day of July, 1993 by M. E. Saleda and Morris J. Watsky, Vice President and Assistant Secretary, respectively, of Lennar Homes, Inc., a Florida corporation, on behalf of said corporation. They are personally known to me and did not take an oath.

Jill Armstrong Lopez
Notary Public, State of Florida at Large

My Commission Expires:

Jill Armstrong Lopez



DESCRIPTION: ISLE OF TUSCANY

BEING ALL OF LOTS 112 TO 161 INCLUSIVE, ALL OF TRACTS OS-2, TRACT R-3 AND TRACT "A", ACCORDING TO THE PLAT KINGS ISLE I - ST. LUCIE WEST PLAT NO. 49 AS RECORDED IN PLAT BOOK 32, PAGES 21, 21A TO 21E, PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA.

OR BOOK 0850 PAGE 0483

**Exhibit "A" to the
Declaration**

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of ISLE OF TUSCANY NEIGHBORHOOD ASSOCIATION, INC., a Florida corporation, filed on June 29, 1993, as shown by the records of this office.

The document number of this corporation is N93000002915.

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



CR2EO22 (2-91)

Jim Smith
Secretary of State

Exhibit "B" to the
Declaration

ARTICLES OF INCORPORATION

FILED

2003 JUN 29 AM 8:02

OF

ISLE OF TUSCANY NEIGHBORHOOD ASSOCIATION, INC.

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

OR BOOK 0850 PAGE 0485

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

ARTICLE I

NAME

The name of the corporation is Isle of Tuscany Neighborhood Association, Inc. For convenience, the corporation shall be referred to in this instrument as "Association", these Articles of Incorporation as the "Articles" and the By-Laws of the Association as the "By-Laws".

ARTICLE II

PRINCIPAL OFFICE AND MAILING ADDRESS

The principal office and mailing address of the Association shall be located at 1753 St. Lucie West Boulevard, Port St. Lucie, Florida 34986.

ARTICLE III

REGISTERED OFFICE AND REGISTERED AGENT

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

ARTICLE IV

PURPOSES AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, will make no distribution of income to its members, directors, or officers, and the specific purposes for which it is formed are to provide for the ownership, operation, maintenance, and preservation of the common driveways, parking areas, if applicable, green areas, and other common areas in the area to be known as the Isle of Tuscany Neighborhood in the Kings Isle Development located in the City of Port St. Lucie, St. Lucie County, Florida, more particularly described in the Declaration referred to below hereinafter referred to as the "Common Areas", and to promote the health, safety, and welfare of the Home Owners, which constitute the membership of the Association's members and to:

- \$4.1 Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants and Restrictions (the "Declaration"), as amended from time to time, and recorded or to be recorded in the Public Records of St. Lucie County, Florida; said Declaration incorporated herein as if set forth at length;
- \$4.2 Fix, levy, collect, and enforce payment by any lawful means, all charges or Assessments or Special Assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

- §4.3 Acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association;
- §4.4 Borrow money, and with the assent of two-thirds (2/3) of each Class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- §4.5 Dedicate, sell, or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the each Class of members, agreeing to such dedication, sale or transfer;
- §4.6 Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of each class of the members;
- §4.7 To purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of interests in, real or personal property, except to the extent restricted hereby; to contract for the management and maintenance of the Common Areas and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, Special Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Areas with funds as shall be made available by the Association for such purposes. The Association shall, however, retain at all times the powers and duties granted by the Declaration, including but not limited to the making of Assessments, Special Assessments, promulgation of rules and the execution of contracts on behalf of the Association;
- §4.8 To collect on behalf of the Community Association and Club Owner all assessments due the Community Association and all of the club charges due the Club Owner from the members of the Association.
- §4.9 Have and to exercise any and all powers, rights, and privileges which a corporation organized under the corporation not for profit law of the State of Florida by law may now or hereafter have to exercise.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

§5.1 Membership. Every person or entity who is an Owner of a Home and the Developer shall be a Member of the Association. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the Association. Membership in the Association shall not be assignable, except to the successor-in-interest of the Member.

§5.2 Voting Rights. The Association shall have two (2) classes of Voting Members, each to be selected and to cast the numbers of votes set forth below:

Class A. Class "A" Member shall be each Owner of a Home in the Project except the Developer. Each Class "A" Member shall be entitled to one (1) vote.

Class B. The Class B Voting Member shall be Developer. The Class B Voting Member shall be entitled to one (1) vote, plus two (2) votes for each vote to which the Class A Members are entitled to cast from time to

time, provided that the Class B Membership shall cease and terminate one (1) year after the last Lot within the Project has been sold and conveyed or at any time prior to that date at the election of the Developer.

§5.3 Community Association. Each Member of the Association shall also be a member of the Community Association. The Association shall elect three (3) voting Members who shall represent the interests of all members of the Association at meetings of the Community Association, and shall cast as many votes as there are Homes subject to the jurisdiction of the Association. The Association shall elect its Voting Members in the same manner, and subject to the same terms as to duration of office, removal and qualifications, as it elects its own directors and each Voting Member shall be a director of the Association.

§5.4 Selection of Voting Members. The Association shall give written notice to the Community Association of the persons elected or designated as its Voting Members, such notice to be given at or before the first meeting of the Community Association which the Voting Member is to attend. The Community Association shall be entitled to rely on such notices as constituting the authorization of the Association (and its members) to the designated Voting Members to cast all votes of the Association (and its members) and to bind same in all Community Association matters until such notice is changed superseded or revoked.

§5.5 Multiple Ownership. When more than one person or entity shall at any time be the Owner of a Home subject to a membership interest, the vote attributed to such Home shall be exercised as such Owners mutually determine and such Members cannot split or divide their Home's vote on any motion, resolution, ballot or otherwise. In the event that such Owners are unable to agree among themselves as to how their vote shall be cast, they shall lose their right to vote on the matter in question. If any one of such Owners casts a vote, it will thereafter be conclusively presumed for all purposes that such Owner was acting with the authority and consent of all other Owners of the same Home. In the event more than one vote is cast for a particular Home, none of said votes shall be counted, but rather, all such votes shall be deemed void.

§5.6 Membership. Membership shall be appurtenant to and inseparable from ownership of a Home. Transfer of Home ownership, either voluntarily or by operation of law, shall terminate membership in the Association, and said membership shall thereupon be vested in the transferee.

ARTICLE VI

INCORPORATOR

The name and address of the incorporator of these Articles is Morris J. Watsky, 700 N.W. 107th Avenue, Miami, Florida 33172.

ARTICLE VII

BOARD OF DIRECTORS

§7.1 The names and addresses of the members of the first Board of Directors who shall hold office until the annual meeting of the members and until their successors are elected or appointed and have qualified, are as follows:

MARSHALL AMES	1753 St. Lucie West Boulevard Port St. Lucie, Florida 34986
MARK BERMAN	1753 St. Lucie West Boulevard Port St. Lucie, Florida 34986
ROBERT AHRENS	1753 St. Lucie West Boulevard Port St. Lucie, Florida 34986

§7.2 The affairs of the Association shall be managed by a Board of Directors composed of not less than three (3) nor more than five (5) persons. The first Board of Directors shall have three (3) members, and in the future the number will be determined from time to time in accordance with the provisions of the By-Laws of the corporation. The number of Directors on the Board of Directors shall always be an odd number.

At the first annual meeting following the cessation of the Class B membership, the Members shall elect two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years, and one (1) director for a term of three (3) years. The Candidate receiving the largest number of votes shall serve as director for three (3) years; the two candidates receiving the second and third largest vote shall serve as directors for two (2) years; and the two (2) candidates receiving the fourth and fifth largest vote shall serve as directors for one (1) year. At each annual meeting thereafter, the members shall elect the appropriate number of directors for a term of three (3) years.

ARTICLE VIII

OFFICERS

The affairs of the Association will be administered by the officers designated in the By-Laws of the Association. Said Officers will be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and will serve at the pleasure of the Board of Directors. The names and addresses of the Officers who are to manage the affairs of the Association until the annual meeting of the Board of Directors and until their successors are duly elected and qualified are:

- | | |
|---------------------|---|
| PRESIDENT | MARSHALL AMES
1753 St. Lucie West Boulevard
Port St. Lucie, Florida 34986 |
| VICE PRESIDENT | MARK BERMAN
1753 St. Lucie West Boulevard
Port St. Lucie, Florida 34986 |
| SECRETARY/TREASURER | ROBERT AHRENS
1753 St. Lucie West Boulevard
Port St. Lucie, Florida 34986 |

ARTICLE IX

DURATION

The Association shall have perpetual existence.

ARTICLE X

AMENDMENTS

§10.1 Proposal. An amendment or amendments to these Articles may be proposed by the Board of Directors acting upon a vote of the majority of either the members or the Directors, whether at a meeting as members or Directors or by instrument in writing signed by either of them. Upon any amendment or amendments to these Articles being proposed by the Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association not later than sixty (60) days from the receipt by him of the proposed amendment or amendments.

§10.2 Notice. It shall be the duty of the Secretary to give each member written notice of such meeting, stating the proposed amendment or

amendments in reasonable detailed form, which notice shall be mailed or presented personally to each member not less than fourteen (14) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at his Post Office address as it appears on the records of the Association, with postage thereupon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member.

- §10.3 Resolution.** At the meeting at which the amendment is to be proposed and considered, a resolution for the adoption of the proposed amendment may be made by any Director or member of the Association, present in person or by proxy.
- §10.4 Approval.** Except as elsewhere provided, the approval of a resolution for the adoption of a proposed amendment to these Articles shall require the affirmative vote of not less than seventy-five (75%) percent of the total votes that may be cast by the membership of the Association. Voting Members of the Association not present in person or by proxy at the meeting at which the amendment is to be considered may express their approval (or disapproval) of the amendment in writing, provided that such approval is delivered to the Secretary of the Association prior to the commencement of the meeting.
- §10.5 Limitation.** Provided, however, that no amendment shall make any changes in the qualification for membership nor in the voting rights or property rights of members, nor any changes in Sections 4.3, 4.4, and 4.5 of Article IV, entitled "Purposes and Powers of the Association", without approval in writing by all members. No amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer, or an affiliate of the Developer, unless the Developer shall join in the execution of the Amendment.
- §10.6 Compliance With Governmental Regulations.** Notwithstanding the above, an amendment may be made upon the approval of all of the members of the Board of Directors without the consent of the Members of the Association to bring the Articles of Incorporation in compliance with any governmental regulations including, without limitation, those of the Department of Housing and Urban Development, Federal Housing Administration and Federal National Mortgage Association.
- §10.7 Recording.** Such amendment or amendments of these Articles shall be transcribed and certified in such form as may be necessary to file the same in the office of the Secretary of State of the State of Florida. A certified copy of each amendment of these Articles shall be recorded in the Public Records of St. Lucie County, Florida, within thirty (30) days from the date on which the same is filed and returned from the office of the Secretary of State.

ARTICLE XI

INDEMNIFICATION

- §11.1 Indemnity.** The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceedings, if he acted in

good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or misfeasance or malfeasance in the performance of his duty to the Association, unless and only to the extent that the Court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such Court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

- §11.2 Expenses.** To the extent that a Director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 11.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.
- §11.3 Approval.** Any indemnification under Section 11.1 above (unless ordered by a Court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Directors, officer, employee or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in Section 11.1 above. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or by a majority of the members.
- §11.4 Advances.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in any specific case upon receipt of an undertaking by or on behalf of the affected Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article XI.
- §11.5 Miscellaneous** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any of the By-Laws, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.
- §11.6 Insurance.** The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

ARTICLE XII

BY-LAWS

The first By-Laws of the Association will be adopted by the Directors named herein, and may be altered, amended, or rescinded in the manner provided by said By-Laws. Any By-Laws adopted by the Board of Directors shall be consistent with these Articles.

ARTICLE XIII

TRANSACTION IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

§13.1 No contract or transaction between the Association and one or more of its Directors or officers, or between the Association and any other corporation, partnership, or Association, or other organization in which one or more of its Directors or officers are directors or officers having a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. No Director or officer of the Association shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

§13.2 Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction.


IN WITNESS WHEREOF, the incorporator has affixed his signature this 4th day of February, 1993.



Morris J. Watsky

STATE OF FLORIDA
COUNTY OF DADE

The foregoing instrument was acknowledged before me this 4th day of February, 1993, by Morris J. Watsky. He is personally known to me and did not take an oath.


Notary Public, State of Florida

My Commission Expires:



GRACE SANTAELLA
MY COMMISSION # CC 180184 EXPIRES
April 1, 1998
BOONVILLE NEW YORK FIRE INSURANCE, INC.

FILED

1993 JUN 29 AM 8:03

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

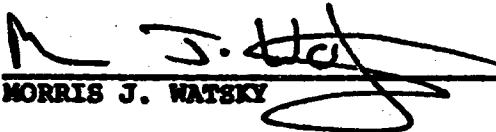
**CERTIFICATE DESIGNATING PLACE OF BUSINESS FOR SERVICE OF PROCESS WITHIN THIS STATE,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.**

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

That, Isle of Tuscany Neighborhood Association, Inc., desiring to organize under the laws of the State of Florida, with its principal offices at 1753 St. Lucie West Boulevard, Port St. Lucie, County of St. Lucie, State of Florida, has named Morris J. Watsky, whose office is located at 700 N.W. 107th Avenue, Miami, Florida 33172 as its agent to accept service of process within the State.

ACKNOWLEDGMENT

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


MORRIS J. WATSKY

BY-LAWS OF
ISLE OF TUSCANY NEIGHBORHOOD ASSOCIATION, INC.

ARTICLE I

GENERAL PLAN OF OWNERSHIP

S1. Name. The name of the Corporation is Isle of Tuscany Neighborhood Association, Inc., and is herein referred to as the "Association". The principal office of the Association shall be located in the State of Florida.

S2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Association.

S3. Personal Application. The Association existing is responsible for the administration, management and operation of the Homes created or to be created within the Project as more particularly defined in the Declaration of Covenants, Restrictions and Easements (the "Declaration") recorded or to be recorded among the Public Records of St. Lucie County, Florida. Guests and invitees of Homes within the Project, are subject to the provisions set forth in these By-Laws and in the Declaration. The mere acquisition or rental of any Home in the Project or the mere act of occupancy of any Home shall signify that these By-Laws are accepted, ratified, and shall be complied with.

S4. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association shall be referred to as the "Articles" and the terms used herein shall have the meanings as described to them in the Declaration, unless the context indicates otherwise.

ARTICLE II

VOTING RIGHTS, MAJORITY OF QUORUM, QUORUM, PROXIES

S1. Voting Rights. The Association shall have two (2) classes of voting membership, as set forth in the Declaration, Articles and as follows:

A. Each Owner of a Home within the Project as defined in and which is subject by the Declaration to assessment by the Association, and Lennar Homes, Inc., a Florida corporation (the "Declarant") shall be a Member of the Association.

B. There shall be two (2) classes of Members as set forth in the Articles.

C. Each Member shall have voting power as set forth in the Articles.

S2. Majority of Quorum. Unless otherwise expressly provided in these By-Laws or the Declaration, any action which may be taken by the Association may be taken by a majority of a quorum of the Voting Members of the Association able to cast a majority of the votes of the Association.

S3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of the Voting Members that can cast at least fifty-one (51%) percent of the total voting power of the Association shall constitute a quorum of the membership. Voting Members present at duly called or held meetings at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum.

S4. Proxies. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary at least twenty-four (24) hours before the appointed time of each meeting unless waived. Every proxy shall be revocable and shall automatically cease after completion of the meeting for which the proxy was filed.

Exhibit "C" to the
Declaration

ARTICLE III

ADMINISTRATION

51. Association Responsibilities. The Association shall have the responsibility of administering the Common Areas, approving the annual budget, establishing and collecting all assessments and arranging for the management of the Common Areas pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the Manager.

52. Place of Meetings of Members. Meetings of the Members shall be held within the Kings Isle Development or such other suitable place as close thereto as practicable in St. Lucie County, convenient to the Owners as may be designated by the Board of Directors.

53. Annual Meetings of Members. The first annual meeting of Members, subject to Section 2 above, shall be held on the date at the place and at the time, as determined by the Board of Directors, provided, however, that said meeting shall be held, to the extent possible, within thirteen (13) months after the closing on title to the first Home within the Project. Thereafter, the annual meeting of the Association shall be held on the anniversary date of the first annual meeting; provided, however, that should the anniversary date fall on a legal holiday, then such annual meeting of the Members shall be held on the next day thereafter which is not a legal holiday. At each annual meeting after the Class B Member's right to appoint the Board of Directors terminates, there shall be elected by ballot of the Voting Members, a Board of Directors, in accordance with the requirements of Section 5 of Article IV of these By-Laws. Unless a Director resigns before the expiration of his term of office, each Director shall hold his office until his successor has been elected and the first meeting involving such successor is held. The term of office of any Director elected to fill a vacancy created by the resignation of his predecessor shall be the balance of the unserved term of his predecessor. The Voting Members may also transact such other business of the Association as may properly come before them. Each first mortgagee of a Home may designate a representative to attend all annual meetings of the Members.

54. Special Meetings of Members. Special meetings of the Members may be called at any time by a majority of a quorum of the Board of Directors, or (after the Class B membership terminates) upon a petition signed by Voting Members able to cast at least fifteen (15%) percent of the votes of the Class A Members having been presented to the Secretary. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof.

No business shall be transacted at a special meeting except as stated in the notice, unless by consent of those Voting Members holding at least four-fifths (4/5ths) of the voting power of the Association, either in person or by proxy. Each first mortgagee of a Home may designate a representative to attend all special meetings of the Members.

55. Notice of Meetings of Members. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of Members, stating the purpose thereof as well as the day, hour, and place where it is to be held, to each Voting Member and to each first mortgagee of a Home which has filed a written request for notice with the Secretary, at least ten (10) but not more than sixty (60) days prior to such meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. The mailing of a notice, postage prepaid, in the manner provided in this Section, shall be considered notice served, after said notice has been deposited in a regular depository of the United States mail. If no address has been furnished to the Secretary, notice shall be deemed to have been given to a Member if posted in a conspicuous place on the Common Areas.

56. Adjourned Meetings. If any meeting of Members cannot be organized because a quorum has not been attained, the Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be the presence in person or by proxy of the Voting Members

holding at least thirty-three and one-third percent (33 1/3%) of the voting power of the Association. Such adjourned meetings may be held without notice thereof as provided in this Article III, except that notice shall be given by announcement at the meeting at which such adjournment is taken. If a meeting is adjourned for more than thirty (30) days, notice of the adjourned meeting shall be given as in the case of an original meeting.

S7. Order of Business. The order of business at all meetings of the Members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) reading of minutes of preceding meeting; (c) reports of officers; (d) reports of committees; (e) election of inspector of election; (f) election of directors; (g) unfinished business; and (h) new business. Meetings of Members shall be conducted by the officers of the Association, in order of their priority.

S8. Action Without Meeting. Any action, which under the provisions of Florida law may be taken at a meeting of the Members, may be taken without a meeting if authorized by a writing signed by all of the Voting Members who would be entitled to vote at a meeting for such purpose, and such writing is filed with the Secretary.

S9. Consent of Absentees. The transaction of any meeting of Members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regulation call and notice if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the Voting Members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

S10. Minutes, Presumption of Notice. Minutes or similar record of the proceedings of meetings of Members, when signed by the President or Secretary, shall be presumed truthful to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE IV

BOARD OF DIRECTORS

S1. Number and Term. The affairs of this Association shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than five (5) persons. The number of Directors on the Board of Directors shall always be an odd number. The first Board of Directors shall have three (3) Members, who need not be Members of the Association.

At the first annual meeting following the cessation of the Class B Membership, the Voting Members shall elect two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years and one director for a term of three (3) years. The candidate receiving the second and third largest vote shall serve as directors for two (2) years; and the two candidates receiving the fourth and fifth largest vote shall serve as directors for one year. At each annual meeting thereafter the Voting Members shall elect the appropriate number of directors for a term of three (3) years.

S2. Powers and Duties. The Board of Directors has the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-laws directed to be exercised and done exclusively by the Owners.

S3. Special Powers and Duties. Without prejudice to the foregoing general powers and duties and such powers and duties as are set forth in the Declaration and Articles, the Board of Directors is vested with, and responsible for, the following powers and duties:

- (a) To select, appoint, and remove all officers, agents and employees of the Association, to prescribe such powers and

duties for them as may be consistent with law, with the Articles, the Declaration and these By-Laws; to fix their compensation and to require from them security for faithful service when deemed advisable by the Board.

- (b) To conduct, manage and control the affairs and business of the Association, and to make and enforce such rules and regulations therefor consistent with law, with the Articles, the Declaration, and these By-Laws, as the Board may deem necessary or advisable.
- (c) To change the principal office for the transaction of business of the Association from one location to another within the State of Florida as provided in Article I hereof; to designate any place within said State for the holding of any annual or special meeting or meetings of Members consistent with the provisions of Article III, Section 2 hereof; and to adopt and use a corporate seal and to alter the form of such seal from time to time, as the Board, in its sole judgment, may deem best, provided that such seal shall at all times comply with the provisions of the law.
- (d) To borrow money and to incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.
- (e) To fix and levy from time to time, Assessments upon the Owners, as provided in the Declaration; to determine and fix the due date for the payment of such Assessments, and the date upon which the same shall become delinquent; provided, however, that such Assessments shall be fixed and levied only to provide for the payment of the expenses of the Association and of taxes and assessments upon real or personal property owned, leased, controlled or occupied by the Association, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all obligations in relation thereto, or in performing or causing to be performed any of the purposes of the Association for the general benefit and welfare of its Members, in accordance with the provisions of the Declaration. The Board of Directors is hereby authorized to incur any and all such expenditures for any of the foregoing purposes and to provide, or cause to be provided, adequate reserves for replacements as it shall deem to be necessary or advisable in the interest of the Association or welfare of its Members. Disbursements from such trust reserve fund shall be made only in accordance with the provisions of the Declaration. Such Assessments shall be fixed in accordance with the provisions of the Declaration. Should any Owner fail to pay such Assessments before delinquency, the Board of Directors in its discretion is authorized to enforce the payment of such delinquent Assessments as provided in the Declaration.
- (f) To enforce the provisions of the Declaration covering the Common Areas, these By-Laws or other agreements of the Association.
- (g) To contract for and pay fire, casualty, errors and omissions, blanket liability, malicious mischief, vandalism, and other insurance, insuring the Owners, the Association, the Developer, the Board of Directors and other interested parties, in accordance with the provisions of the Declaration, covering and protecting against such damages or injuries as the Board deems advisable, which may include without limitation, medical expenses of persons injured on the Common Areas, and to bond the agents and employees of any management

body, if deemed advisable by the Board. The Board shall review, not less frequently than annually, all insurance policies and bonds obtained by the Board on behalf of the Association.

- (h) To contract for any pay maintenance, gardening, utilities, materials and supplies, and services relating to the Common Areas and to employ personnel necessary for the operation of the Common Areas, including legal and accounting services, and to contract for and pay for improvements to the Common Areas.
- (i) To delegate its powers according to law, and subject to the approval of the Voting Members, to adopt these By-laws.
- (j) To grant easements where necessary for utilities and sewer facilities over the Common Areas to serve the Development.
- (k) To fix, determine and name from time to time, if necessary or advisable, the public agency, fund, foundation or corporation which is then or there organized or operated for charitable purposes, to which the assets of this Association shall be distributed upon liquidation or dissolution, according to the Articles. The assets so distributed shall be those remaining after satisfaction of all just debts and obligations of the Association, and after distribution of all property held or acquired by the Association under the terms of a specific trust or trusts.
- (l) To adopt such uniform and reasonable rules and regulations as the Board may deem necessary for the management of the Common Areas, which rules and regulations shall become effective and binding after (i) they are adopted by a majority of the Board at a meeting called for that purpose, or by the written consent of such number of directors attached to a copy of the rules and regulations of the Association, and (ii) they are posted in a conspicuous place or upon or near the Common Areas. For so long as Declarant controls the Board of Directors of the Association, such rules and regulations shall not materially adversely affect the rights, privileges or preferences of any Owner as established by the Declaration, the Articles and these By-Laws and such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles and these By-Laws.
- (m) The option to employ a managing agent to manage the Common Areas and the affairs of the Association who shall perform such duties and services as the Board shall authorize.

S4. Election and Term of Office. At the first annual meeting of the Association after the Class B membership terminates, and thereafter at each annual meeting of the Members, Directors shall be elected by the Members, each Member voting for himself. In the event that an annual meeting is not held, or the Board is not elected thereat, the Board may be elected at a special meeting of the Members held for that purpose. Each Director shall hold office until his successor has been elected or until his death, resignation, removal or judicial adjudication of mental incompetence. Any person serving as a Director may be re-elected, and there shall be no limitation on the number of terms during which he may serve.

S5. Books, Financial Review. The Board of Directors shall cause to be maintained a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles.

S6. Vacancies. Upon the occurrence of either of the events described in Article IV, Section 4 of these By-Laws, vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a

Director until a successor is elected at the next annual meeting of the Members of the Association, or a special meeting of the Members called for that purpose. A vacancy or vacancies shall be deemed to exist in case of death, resignation, removal or judicial adjudication of mental incompetence of any Director, or in case the Members fail to elect the full number of authorized directors at any meeting at which such election is to take place.

S7. Removal of Directors. At any regular or special meeting of the Members duly called, any one or more of the Directors may be removed with or without cause by a majority vote of the Members of the Association, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. If any or all of the directors are so removed, new directors may be elected at the same meetings.

S8. Organizational Meeting. The first regular meeting of a newly elected Board of Directors (the "Organizational Meeting") shall be held within ten (10) days of election of the Board, at such place as shall be fixed and announced by the Directors at the meeting at which such Directors were elected, for the purpose of organization, election of officers and the transaction of other business. No notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

S9. Other Regular Meetings. Other regular meetings of the Board of Directors shall be open to the Voting Members and may be held at such time and place in or near the Development as shall be determined, from time to time by a resolution adopted by a majority of a quorum of the Directors; provided, however, that such meeting shall be held no less frequently than quarterly. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least forty-eight (48) hours prior to the date named for such meeting, and shall be posted at a prominent place or places upon the Common Areas and the Homes within the Project.

S10. Special Meetings. Special meetings of the Board of Directors shall be open to all Voting Members and may be called by the President (or, if he is absent or refused to act, by the Vice President) or by any two (2) Directors.

At least seventy-two (72) hours notice shall be given to each Director personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and the purpose of the meeting, and shall be posted at a prominent place or places within the Common Areas and the Homes within the Project. If served by mail, each such notice shall be sent, postage prepaid, to the address reflected on the records of the Association, and shall be deemed given, if not actually received earlier, at 5:00 o'clock p.m. on the second day after it is deposited in a regular depository of the United States mail as provided herein. Whenever any Director has been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such Director, as required by law and as provided herein.

S11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. The transactions of any meeting of the Board, however called and notice or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the Directors not present signs such a written waiver of notice, a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

S12. Quorum and Adjournment. Except as otherwise expressly provided herein, at all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

S13. Action Without Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the vote or written consent of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

S14. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

S15. Committees. The Board of Directors by resolution may from time to time designate such committees as it shall desire, and may establish the purposes and powers of each such committee created. The resolution designating and establishing the committee shall provide for the appointment of its Members, as well as a chairman, shall state the purposes of the committee, and shall provide for reports, termination, and other administrative matters as deemed appropriate by the Board.

ARTICLE V

OFFICERS

S1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in their judgment may be necessary. All Officers shall be Directors. The office of Secretary and Treasurer may be held by the same person, but the office of President and Secretary may not be held by the same person.

S2. Election of Officers. The officers of the Association shall be Members of the Board of Directors and shall be elected annually by the Board of Directors at the Organizational Meeting of each new Board of Directors, and each officer shall hold his office until he shall resign or be removed or otherwise disqualified to serve, or his successors shall be elected and qualified to serve.

S3. Removal of Officers. Upon an affirmative vote of a majority of the entire Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors, called for such purpose. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of the Association. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and unless otherwise specified in said notice, acceptance of such resignation by the Board shall not be necessary to make it effective.

S4. Compensation. Officers shall receive no compensation. Agents and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board. Appointment of any agent or employee shall not of itself create contractual rights of compensation for services performed by such agent, or employee, provided that no officer, employee or Director of Developer or any affiliate of Developer may receive any compensation.

S5. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of a corporation, including but not limited to the power,

subject to the provisions of Article IV, Section 16, to appoint committees from among the Members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall, subject to the control of the Board of Directors have general supervision, direction and control of the business of the Association. The President shall be ex-officio a Member of all standing committees, and he shall have such other powers and duties as may be prescribed by the Board of Directors or these By-Laws of the Association.

56. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent, disabled, refuses or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other Member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or these By-Laws of the Association.

57. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association at the principal office of the Association or at such other places as the Board of Directors may order. The Secretary shall keep the seal of the Association in safe custody and shall have charge of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all of the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Members of the Association and of the Board of Directors required by these By-Laws or by law to be given. The Secretary shall maintain a book of record Owners listing the names and addresses of the Owners as furnished by the Association, and such books shall be changed only at such time as satisfactory evidence of a change in ownership of a Home is presented to the Secretary. The Secretary shall perform such other duties as may be prescribed by the Board of Directors.

58. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, tax records and business transactions of the Association, including accounts of all assets, liabilities, receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall co-sign all checks and promissory notes on behalf of the Association. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, in accordance with the Declaration, shall render to the President and directors, upon request, an account of all of his transactions as Treasurer and of the financial conditions of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these By-Laws.

ARTICLE VI

OBLIGATION OF MEMBERS FOR ASSESSMENTS AND SPECIAL ASSESSMENTS.

51. Payment. The Association shall obtain funds with which to operate by assessment of its Members in accordance with the provisions of the Declaration as supplemented by the provisions of the Articles of the Association relating thereto. Said Assessments shall be payable monthly, in advance, without notice, and shall be due on the first day of each month. Unless otherwise required by the Board, Assessments may not be made payable less frequently than monthly. In event the annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors.

52. Special Assessments. Special Assessments for charges by the Association against Members for other than common expenses or for common expenses for emergencies that cannot be paid from the annual Assessments for common expenses shall be levied in the same manner as herein provided for regular Assessments, except that notice thereof shall be given and they shall be payable in the manner determined by the Board.

53. Past Due Assessments. Assessments and Special Assessments and installments thereon not paid when due shall bear interest from the date when due until paid at the rate set forth in the Declaration.

54. Default. If a Member shall be in default in the payment of an installment upon any Assessment or Special Assessment, the Management Firm, if applicable, or the Board of Directors, may accelerate the remaining monthly installments for the fiscal year upon notice thereof to the Member and, thereupon, the unpaid balance of the Assessment or Special Assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the Member.

In addition to the above and subject to the approval and ratification of the Board of Directors of the Association, the Management Firm if applicable, shall have the right to (a) suspend the use rights (or authorized user of the Home Owner) of the Member in and to any or all parts of the Common Areas for any infraction of the promulgated Rules and Regulations pertaining to said Common Areas, for a period not to exceed thirty (30) days, and during said period of suspension, there shall be no reduction in the Assessments or Special Assessments due and payable from said Member and/or authorized user(s) and (b) deny to the Member and/or the authorized user of the Common Areas the use and enjoyment of the Common Areas until such time as all Assessments are paid if a Member fails to pay an Assessment within ten (10) days after its due date.

ARTICLE VII

AMENDMENTS TO BY-LAWS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

51. Proposal. An amendment or amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by a majority of the voting interests of the Association. Whenever any amendment or amendments to these By-Laws are proposed by the Board of Directors or voting Members, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting Chief Executive Officer in the absence of the President, who shall thereupon call a Special Meeting of the Members of the Association not later than sixty (60) days from the receipt by him of the proposed amendment or amendments.

52. Notice. It shall be the duty of the Secretary to give each Member written notice of such meeting, stating the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each Voting Member not less than fourteen (14) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the Voting Member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. Any Voting Member may, by written waiver of notice signed by such Voting Member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member.

53. Resolution. At the meeting at which the amendment is to be proposed and considered, a resolution for the adoption of the proposed amendment may be made by any Member of the Board of Directors of the Association, or by any Member of the Association, present in person or by proxy.

54. Approval. Except as elsewhere provided, the approval of a resolution for the adoption of a proposed amendment to By-Laws shall require the affirmative vote of a majority of the Members of the Board of Directors of the Association, and the affirmative vote of not less than seventy-five (75%) percent of the total voting interests of the Association. Members of the Board of Directors and Voting Members of the Association not present in person or by proxy at the meeting at which the amendment is to be considered may express their approval (or disapproval) of the amendment in writing, provided that such approval is

delivered to the Secretary of the Association prior to the commencement of the meeting.

S5. Limitation. Provided, however, that no amendment shall make any changes in the qualifications for membership nor in the voting rights or property rights of Members without approval in writing by all Members and the joinder of all record owners of mortgages upon Homes. No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer or an affiliate of the Developer, unless the Developer shall join the execution of the Amendment.

S6. Compliance with Governmental Regulations. Notwithstanding anything to the contrary set forth in this Article VII, an amendment may be made upon the approval of all of the members of the Board of Directors without the consent of the Members of the Association to bring the Articles of Incorporation in compliance with any governmental regulations including, without limitation, those of the Department of Housing and Urban Development, Federal Housing Administration and Federal National Mortgage Association.

S7. Recording. Such amendment or amendments of these By-Laws shall be transcribed and certified in such form as may be necessary to file the same in the office of the Association and shall be recorded in the Public Records of St. Lucie County, Florida within thirty (30) days from the date on which the same is approved.

ARTICLE VIII

MORTGAGES

S1. Notice to Association. An Owner of a Home in the Project who mortgages his Home shall notify the Association through the Management Company or the Secretary of the Association in the event there is no Management Company, the name and address of his Mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Homes". Any such Owner shall likewise notify the Association as to the release or discharge of any such mortgage.

S2. Notice of Unpaid Assessments or Special Assessments. The Board of Directors of the Association shall at the request of a Mortgagee of a Home in the Project report any unpaid Assessments or Special Assessments due from the Member administering the affairs in which the Home is located in accordance with the provisions of the Declaration.

ARTICLE IX

MEANING OF TERMS

All terms appearing herein initially capitalized shall have the same meanings as are applied to such terms in the Declaration, which terms include without limitation: "Developer", "Management Company", "Owner", "Board", "Home", "Articles", "Member", "Voting Member", "Mortgage", "Mortgagee", and "Assessments" and "Special Assessments".

ARTICLE X

CONFLICTING PROVISIONS

In case any of these By-Laws conflict with any provisions of the laws of the State of Florida, such conflicting By-Laws shall be null and void upon final Court determination to such effect, but all other By-Laws shall remain in full force and effect. In case of any conflict between the Articles and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XI
MISCELLANEOUS

S1. Execution of Documents. The Board of Directors, except as otherwise provided in these By-Laws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent, committee member, or employee shall have any power or authority to bind the Association by any contract or engagement or to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

S2. Inspection of By-Laws. The Association shall keep in its office for the transaction of business the original or a copy of these By-Laws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members and all First Mortgagees at all reasonable times during office hours.

S3. Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors and having been so determined, is subject to change from time to time as the Board of Directors shall determine.

I HEREBY CERTIFY that the foregoing By-Laws of the Association were duly adopted by the Board of Directors of the Association at a meeting held for such purpose on the 13th day of July, 1993.

Marshall Ames
Marshall Ames. , President