

# **COLONY • COURTS**

## **TWO**

**DCA HOMES, INC.**  
8320 N.W. 27 Place  
Sunrise, Florida 33322

COLONY COURTS TWO  
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STATEMENT OF DISCLOSURE

FOR

COLONY COURTS TWO

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We are pleased to provide you with this document booklet which contains the various documents relative to Colony Courts Two. We have prepared this Statement of Disclosure to provide prospective purchasers with the basic plan for the development of Colony Courts Two; a brief discussion of the purposes of the various documents contained in this booklet; and financial information concerning the operation of the Associations responsible for the Colony Courts Two development. This discussion is intended to assist you in understanding the documents, but is neither intended nor should it be considered a substitute for the reading of each document or for obtaining legal counsel, if required.

PLAN OF DEVELOPMENT

Inactive Corporations, Inc. ("Developer"), a Florida corporation and a subsidiary of Lennar Corporation, whose stock is publicly traded on the New York Stock Exchange, has acquired a tract of land located in Broward County, Florida, upon which it is developing a planned community known as Colony Courts Two, hereinafter referred to as the "Development".

The Development, as presently planned, shall contain approximately 130 single family cluster houses and 20 condominium units. The single family cluster houses ("Unit") will not be declared as Condominiums. Developer reserves the right to change the type of Units to be constructed and the number of each type of Unit.

In order to implement the Plan and to preserve the amenities of the Development, the Developer shall enter into a series of land use and related documents which will, among other things, set aside and declare covenants, restrictions and easements relative to the Development.

The Developer has formed a Florida corporation, not-for-profit, which shall own, operate, administer, manage and maintain the Common Areas, including the recreational facilities, the grassed and landscaped areas of each Lot except the rear yard, and limited common open space appurtenant to each Lot. The maintenance of the grassed and landscaped area includes mowing and edging the grass, trimming of hedges and trees, irrigation and fertilization. In addition, the Association may levy a special assessment for the painting of the exterior walls of the Units and Condominium Units. The Association shall also purchase insurance for the Units as described in Article XVI of the Declaration.

This Corporation is called Colony Courts Two Homeowners Association, Inc. ("Association"). The Association will be turned over to the unit owners as described in the Articles of Incorporation of the Association. In order to carry out its purposes, the Association shall have lien rights, powers of enforcement and rule-making authority to carry out the provisions of these documents. Each purchaser, upon obtaining title to his Unit, automatically becomes a member of the Association and thereby acquires, as an appurtenance to his Unit, all rights of use in the common areas reserved to members under the documents.

Although the owner of a Unit ("Owner") acquires his Unit subject to the provisions of the Declaration and other documents, the Developer has made every effort to preserve the independence and privacy of every Owner. Each Owner owns his own tract of land ("Lot") and the Unit thereon in fee simple. Except for a special assessment that may be assessed against each Owner for the painting of the exterior walls of the Unit, each Owner shall be responsible for maintaining all portions of his property, including the roof, floor slab, lawn and utility lines

located upon his Lot. In addition, each Owner shall be responsible for paying the costs of his own electricity, water and sewer usage.

The Association will purchase insurance to insure the Unit against casualty losses. It is the responsibility of the Unit Owner to purchaser liability insurance and to insure the personal property within his Unit. See Article XVI of the Declaration for more details concerning Insurance.

The Plan of Development, coupled with the Architectural design and improvement and recreation facilities at the Development provides a concept of community dwelling which the Developer hopes will result in enjoyable living for all the Owners and their families.

#### COLONY COURTS TWO DEVELOPMENT DOCUMENTS

The following constitutes a summary of the land use and related documents comprising the Colony Courts Two Development documents.

#### DECLARATION

The Declaration is the document which has been or will be recorded amongst the Public Records of Broward County, Florida, and which sets forth the basic plan for the Development.

The Declaration provides, among other things, that the Developer may annex from the general plan set forth therein as much of the Undeveloped Parcel as it deems necessary.

The recreational facilities to be used by the Owners and the other residents of the Development shall be located on the Common Areas of the Development and owned by the Association. The recreation facilities, as presently planned, consist of a swimming pool, pool deck, and mens and womens cabanas containing rest rooms only. The payment of assessments for the maintenance of the Common Areas, including the recreational facilities and the operation of the Association is a mandatory condition of ownership of a Unit. The Developer reserves the right to increase or add to the recreational facilities, at its sole discretion.

The Association has been established with the power to contract with an outside management company for management and maintenance services of the Development, if the Board of Directors so desires.

The basis for computing the apportionment of expenses assessed by the Association has been determined as follows: All regular and special assessments shall be at a uniform rate for each non-condominium dwelling unit in the Development.

#### ARTICLES OF INCORPORATION AND BY-LAWS OF THE ASSOCIATION

The Association has been formed to own and maintain the Common Areas, to perform other functions as set forth in the Articles and Declaration, and to enforce the covenants and restrictions of the Declaration. The Articles of Incorporation of the Association, which were filed with the Secretary of State of the State of Florida set forth the purposes and powers of the Association and provide further for the Developer to control the Association until as provided in the Articles. The members of the Association include all of the Units and Condominium Units in the Development.

The By-Laws provide for the everyday working features and budgetary functions of the Community Association in much the same manner as do the By-Laws of the Association.

#### PROPOSED OPERATING EXPENSE BUDGET

The Proposed Operating Expense Budget sets forth the anticipated expenses of the Association. The Developer, in preparing the budget, does not have any actual operating experience for the Development on which to base the cost and expense figures for estimating budgetary items. The Developer based the budget on its experience in other developments similar to Colony Courts Two. Accordingly, until the 31st day of December, 1992, each dwelling unit will be charged a share of such expenses using calculations based upon the assumption that a fixed number of dwelling units are presently available to share such expenses. The Developer does not guarantee that the budgets will not increase in future years; however, the Developer does guarantee that for the year covered by the budget included in this document booklet it will not collect for assessments based upon amounts greater than the amounts shown in the budget or based upon a fewer number of dwelling units.

The budget does not provide for any charges to particular Units or Condominium Units for individual dwelling real estate taxes or for electricity, water, or sewer, but they do include any insurance premium required for coverage of the Unit by any "Institutional Mortgagee". It is assumed that these charges, except casualty insurance, will be billed directly to each particular Owner who will be responsible individually for the payments pursuant thereto.

Association expenses are collected by the Association from all Owners of Lots in the Development.

At this time, all assessments are payable monthly in advance. At the time of closing, the first month's assessment for the Association will be collected, along with a one-time working capital contribution equal to 2 months assessments to give the Association the needed funds to cover start-up expenses.

#### COMPLETENESS OF THIS STATEMENT

As stated previously, the purpose of this Statement of Disclosure is to set forth a summary of the Colony Courts Two documents. However, this Statement describes only in summary form the material terms and provisions such documents. Since the terms and provisions of such documents will govern the development and operation of Colony Courts Two, each prospective purchaser should refer to the unit documents for the complete and specific terms and provisions contained therein.

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DECLARATION

THIS DECLARATION, made on the date hereinafter set forth by Inactive Corporations, Inc. a Florida corporation, hereinafter referred to as "Developer";

W I T N E S S E T H:

WHEREAS, Developer is the owner of certain property more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (hereinafter referred to as "the Project"); and

WHEREAS, Developer has established a land use plan for the Project and desires to provide for the preservation of the values and amenities hereby established and as may be established for the Project hereafter committed to a land use plan and to this end does hereby subject the Project to use covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter set forth; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities established as aforesaid to create a corporation known as COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC. to which there has been and will be delegated and assigned certain powers and duties of ownership, operation, administration, maintenance and repair, the enforcement of the covenants, restrictions, and easements contained herein and the collection and disbursement of the assessments and charges hereinafter provided.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, Developer hereby declares that the Project shall be owned, held, used, transferred, sold, conveyed, demised and occupied subject to the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter set forth.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Colony Courts Two Homeowners Association, Inc., a Florida corporation not-for-profit, its successors and assigns. Attached hereto and made a part hereof by this

THIS INSTRUMENT PREPARED BY:  
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Seven Hundred N.W. 107 Ave.  
Miami, Florida 33172

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reference as Exhibits "B" and "C" is a copy of the Articles of Incorporation and By-Laws, respectively, for the Association.

Section 2. "Board" shall mean and refer to the Board of Directors of the Association.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, Unit or Condominium Unit, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "The Project" shall mean and refer to that certain real property legally described in Exhibit "A" attached hereto and made a part hereof, and such additional lands that may be subjected to this Declaration by annexation.

Section 5. "Common Open Space" shall mean all real property owned, or to be owned by the Association for the common use and enjoyment of the Owners.

Section 6. "Recreation Parcel" shall mean and refer to that portion of the Common Open Space on which will be built the recreation facilities. The recreation facilities shall consist of a swimming pool, cabana and pool deck. Recreation facilities may be added to or expanded by Developer without the consent of Owners or the Association.

Section 7. "Private Drives" shall mean and refer to that portion of the Common Open Space owned, or to be owned by the Association and used for pedestrian and vehicular access.

Section 8. "Parking Spaces" shall mean and refer to that portion of the Common Open Space owned, or to be owned, by the Association and used for the parking of vehicles. Each Unit will be assigned one parking space for its exclusive use and the balance of the spaces will be for the use of all Unit Owners and their guests and invitees.

Section 9. "Lot" shall mean and refer to those Lots shown upon the recorded subdivision Plat or Plats of the Project on which shall be built Units and Condominium Units.

Section 10. "Condominium Unit" shall mean a completely constructed unit in a condominium built upon a Lot which is designated and intended for use and occupancy as a residence and which is subject to 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 Condominium Unit.

Section 11. "Unit" shall mean a completely constructed attached or detached single family home not in a condominium which is designated and intended for use and occupancy as a residence and which is subject to 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 Unit.

Section 12. "Model Unit" shall mean a fully constructed Unit or Condominium Unit, that prior to its sale by Developer, will be used by Developer to show prospective purchasers a model of the Unit and Condominium Unit they are purchasing.

Section 13. "Developer" shall mean and refer to Inactive Corporations, Inc. its successors and assigns, if such successors and assigns should acquire more than one undeveloped Lot from Developer for the purpose of development.

Section 14. "Institutional Mortgagee" means a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, or any other lender generally recognized as an institutional type lender, or the Developer, holding a first mortgage on a Unit or Units.

Section 15. "Common Expenses" means all expenses of any kind or nature whatsoever incurred by the Association, including, but not limited to, the following:

(a) Expenses incurred in connection with the ownership, maintenance, repair, improvement or operation of the Common Open Space, or any other property to be maintained by the Association as provided in this Declaration, including, but not limited to, utilities, taxes, assessments, insurance, operation, maintenance, repairs, improvements, and alterations.

(b) Expenses of obtaining, repairing or replacing personal property in connection with any Common Open Space or the performance of the Association's duties.

(c) Expenses incurred in connection with the administration and management of the Association.

(d) Common water, sewer, trash removal, and other common utility, governmental, or similar services for the Units and Condominium Units which



are not separately metered or charged to the Owners, or which the Association determines to pay in common in the best interest of the Owners.

(e) Expenses declared to be Common Expenses by the provisions of this Declaration, or by the Articles or By-Laws.

Section 16. "Limited Common Open Space" shall mean that portion of the Common Open Space to the rear of each Lot and each first floor Condominium Unit which shall be designated by the Association for the exclusive use of the abutting Lot Owner or first floor Condominium Unit Owner. Such Limited Common Open Space shall not exceed the width of the Lot or Condominium Unit, shall be no more than ten (10) feet in depth and shall be maintained by the Lot Owner or Condominium Unit Owner receiving the exclusive use.

## ARTICLE II

### PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a non-exclusive right and easement of enjoyment in and to the Common Open Space which shall be appurtenant to and shall pass with the title to every Lot and Condominium Unit, subject to the following:

A. All provisions of this Declaration, the plat or plats of the Project, and the Articles of Incorporation and By-Laws of the Association;

B. Rules and regulations adopted by the Association governing the use and enjoyment of the Common Open Space;

C. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility which may be situated upon the Common Open Spaces;

D. The right of the Association to suspend the voting rights of any Owner for any period during which any assessment against his Lot or Condominium Unit remains unpaid; and for a period not to exceed sixty (60) days for an infraction of its published rules and regulations.

E. The right of the Association to dedicate, sell or transfer all or any part of the Common Open Space to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed upon in an instrument signed by two-thirds (2/3) of the members of the Association and said instrument has been recorded. In addition, so long as there is a Class B membership, such dedication, sale or transfer shall require the approval of HUD/VA.

F. The right of the Association to borrow money, and with the consent of two-thirds (2/3) of each class of members, and so long as there is a Class B membership, the approval of HUD/VA, to mortgage, pledge, deed in trust, or hypothecate all of its real and personal property as security for money borrowed or debts incurred.

G. The right of the Association to make additions, alterations or improvements to the Common Open Space, and to purchase any personal property, as it deems necessary or desirable from time to time, provided, however, that the approval of two-thirds (2/3) of the votes of the Owners shall be required for any addition, alteration, or improvement or any purchase of personal property, exceeding a sum equal to one (1) month's total Assessments for Common Expenses payable by all of the Members, or if the cost of the foregoing shall in any fiscal year exceed in the aggregate a sum equal to two (2) months' Assessments for Common Expenses payable by all of the Owners. The foregoing approval shall in no event be required with respect to expenses incurred in connection with the maintenance, repair or replacement of existing Common Open Space, or any existing improvements or personal property associated therewith. The cost and expense of any such additions, alterations or improvements to the Common Open Space, or the purchase of any personal property, shall be a Common Expense. In addition, so long as Developer owns any portion of the subject Property, Developer shall have the right to make any additions, alterations or improvements to the Common Open Space as may be desired by Developer in its sole discretion from time to time, at Developer's expense.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the appropriate By-Laws, his right of enjoyment to the Common Open Space, to the members of his family, his tenants or contract purchasers who reside on the property.

Section 3. Permitted Uses. The Common Open Space shall be restricted to the following uses:

A. The Common Open Space, now and forever, shall be restricted hereby such that it shall be maintained as open space for the recreation, use and benefit of the Owners, including as and for easements and rights-of-way for the construction, operation and maintenance of utility services and drainage facilities and shall not be used for any commercial or industrial use except as herein described.

B. The Private Drives, now and forever, shall be restricted such that they shall be used for the benefit of the Owners, their tenants, invitees and guests as and for the common access, ingress and egress and as an easement and right-of-way for the construction, operation and maintenance of utility services and drainage facilities. The Private Drives shall be kept free and clear of obstructions, except as is reasonable for construction, operation and maintenance of traffic and speed controls.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot or a Condominium Unit which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Condominium Unit which is subject to assessment.

Section 2. The Association shall have two (2) classes of voting membership:

Class A: Class "A" members shall be all Owners with the exception of the Developer and shall be entitled to one vote for each Lot, Unit or Condominium Unit owned. When more than one person holds an interest in any Lot, Unit or Condominium Unit, all such persons shall be members. The vote for such Lot, Unit or Condominium Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B: Class "B" member(s) shall be the Developer as defined in this Declaration, and shall be entitled to three (3) votes for each Lot, Unit or Condominium Unit owned. The Class "B" membership shall cease and be converted to Class "A" membership on the happening of any of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class "A" membership equal the total votes outstanding in the Class "B" membership;  
or
- (b) Six (6) years from the date of filing of this Declaration;  
or
- (c) At such time as the Class "B" member voluntarily relinquishes its right to vote.

#### ARTICLE IV

##### COVENANT FOR MAINTENANCE

Section 1. The Association shall at all times maintain the Common Open Space, including but not limited to, the entry feature, recreational facilities, interior roadways and lake, and the grassed and landscaped area of each Lot except the rear yard and Limited Common Open Space appurtenant to a Lot or Condominium Unit. The maintenance of the grassed and landscaped area includes mowing and edging the grass, trimming of the hedges and trees, irrigation and fertilization. Each Unit Owner will be required to maintain the rear yard of his Lot, lighting on his Lot, Unit or Condominium Unit, and the Limited Common Open Space appurtenant to said Lot or Condominium Unit. The maintenance of a rear yard and Limited Common Open Space, to be maintained by the Unit Owner or Condominium Unit Owner, shall include, but not be limited to, mowing, edging of the grass, trimming of the hedges and trees, irrigation and fertilization. As set forth in Section 6 of Article V, a Special Assessment may be levied against each Unit at such time as the Association requires that the exterior walls of the Units be painted and against each Condominium Unit at such time as the Association requires that the exterior walls of the Condominium buildings be painted.

In addition, the Association shall purchase insurance for the Units as set forth in Article XIV.

Section 2. Access - For the purpose of performing the maintenance authorized by this Article and Article X hereof, the Association, through its duly authorized agents or employees, shall have the right to enter upon any Lot(s) or the Common Elements of any Condominium, at reasonable hours on any day. In the case of emergency repairs, access will be permitted at any time with only such notice as, under the circumstances, is practically affordable.

#### ARTICLE V

##### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.

The Developer, for each Lot, Unit and Condominium Unit owned within the Project, hereby covenants, and each Owner of any Lot, Unit or Condominium Unit 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: (1) annual assessments or charges, and (2) special assessments to be established and collected as hereinafter provided. The annual and special

assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with costs and reasonable attorneys' fees, shall also be the personal obligation of the person who is the Owner of such Lot, Unit or Condominium Unit at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Establishment of Assessments. Prior to the beginning of each fiscal year, the Board shall adopt a budget for such fiscal year which shall estimate all of the Common Expenses to be incurred by the Association during the fiscal year. The Board shall then establish the assessment for Common Expenses for each Unit and Condominium Unit and shall notify each Owner in writing of the amount, frequency, and due dates of the assessment for Common Expenses. From time to time during the fiscal year, the Board may modify the budget, and pursuant to the revised budget or otherwise, the Board may, upon written notice to the Owners, change the amount, frequency and/or due dates of the assessments for Common Expenses. If the expenditure of funds for Common Expenses is required in addition to funds produced by assessments for Common Expenses, the Board may make special assessments for Common Expenses, which shall be levied in the same manner as hereinbefore provided for regular assessments, and shall be payable in the manner determined by the Board, as stated in the notice of any special assessments for Common Expenses. In the event any assessments for Common Expenses are made payable in equal periodic payments, as provided in the notice from the Association, such periodic payments shall automatically continue to be due and payable in the same amount and frequency unless and until (i) the notice specifically provides that the periodic payments will terminate or change upon the occurrence of a specified event or date or the payment of the specified amount, or (ii) the Association notifies the Owner in writing of a change in the amount and/or frequency of the periodic payments. In no event shall any assessments for Common Expenses be due less than ten (10) days from the date of the notification of such assessments.

Section 3. The assessments for Common Expenses assessed against each Lot shall be equal (on a Lot occupied by two (2) Condominium Units, each Condominium Unit shall pay one-half (1/2) of the assessment for such a Lot).

With the exception of Lots on which are built Model Units, the annual assessment for Common Expenses as to each Lot or Condominium Unit shall commence on the first day of the full calendar month after a certificate of occupancy for the Unit or Condominium Unit constructed on said Lot is issued. The annual assessment shall commence as to each Lot on which is built a Model Unit on the day that the Developer closes the sale of said Model Unit to the first Owner acquiring title from the Developer.

Section 4. Working Capital Contribution. In addition to assessments for Common Expenses, the first Owner acquiring title from Developer to a Unit shall pay to the Association a contribution to a working capital fund of the Association in an amount equal to two (2) months' assessments for Common Expenses, which shall be in addition to the Owner's responsibility for assessments for Common Expenses. The working capital fund shall be used by the Association for start-up expenses or otherwise as the Association shall determine from time to time and need not be restricted or accumulated.

Section 5. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Project and for the improvement and maintenance of the Common Open Space, Lots, Units and Condominium Units, as set forth in Article IV, Section 1 hereof.

Section 6. Developer's Assessment Guaranty. The Developer guarantees to initial purchasers of Units in the Project that the monthly assessments due from such purchasers as Owners of Units in the Project for items of common expense of the Association will not exceed the amount therefore reflected in the initial budget for the Association which is provided to such purchasers by the Developer during the calendar year in which the Developer conveys the first Unit in the Project. During the period of time this guaranty is in force and effect, the Developer, as owner of Units or Condominium Units for which a certificate of occupancy has been issued, shall be relieved from the obligation of paying its pro rata share of assessments for common expenses of the Association, but instead shall be obligated to pay to the Association all sums in excess of sums due from all Unit Owners other than the Developer which are necessary to pay the actual expenses of the Association. The actual expenses of the Association shall not include reserves.

Section 7. Special Assessment for Capital Improvement. In addition to the annual assessments and special assessments for Common Expenses authorized above, the Association, through a two-thirds (2/3) vote of its Board of Directors, may levy in any assessment year a special assessment against an Owner(s) to the exclusion of other Owners for the purpose of (i) defraying, in whole or in part, the cost of any construction, reconstruction, building painting, repaving, repair or replacement of a capital improvement upon the Common Open Space, including fixtures and personal property related thereto, if any, or (ii) as set forth in Article IV, Section 1, the painting of the exterior of Units and Condominium buildings, or (iii) the costs of work performed by the Association in accordance with Article X hereof. Any such Special Assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure proceedings and interest. Any Special Assessment levied hereunder shall be due and payable within the time specified by the Board of Directors in the action imposing such Assessment.

Section 8. Rate of Assessment. Notwithstanding Section 3 of this Article V, Condominium Units and Units may pay different assessments if the services supplied to each type of housing Unit differs, but all similar housing types will be assessed equally.

Section 9. Annual Assessments. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amounts of the annual assessment against each Lot, Unit or Condominium Unit at least thirty (30) days in advance of each annual assessment period. Failure to fix the amounts of the annual assessments within the time period set forth above would not preclude the Board of Directors from fixing the assessment at a later date. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot, Unit or Condominium Unit has been paid. A properly executed certificate of the Association as to the status of assessments on a Lot, Unit or Condominium Unit is binding upon the Association as of the date of its issuance. The Association may delegate to a mortgage company or financial institution responsibility for collection of assessments.

Section 10. Effect of Non-Payment of Assessment: Remedies of the Association. Any assessment not paid within thirty (30) days of the due date shall bear interest from the due date at the highest rate allowable by law, per annum. The Association may, at its election, bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the Lot or Condominium Unit. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Open Space or abandonment of his Lot or Condominium Unit.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be a lien superior to all other liens save and except tax liens and mortgage liens, provided said mortgage liens are first liens against the property encumbered thereby, subject only to tax liens, and said first mortgage secures an indebtedness which is amortized on monthly or quarter-annual payments over a period of not less than ten (10) years. The sale or transfer of any Lot or Condominium Unit pursuant to the foreclosure or any proceeding in lieu thereof of a first mortgage meeting the above qualifications, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Exempt Property. All properties dedicated to, and accepted by a local public authority shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

#### ARTICLE VI

##### ANNEXATION OF PROPERTY

Residential property, common areas and recreational facilities may be annexed to the property with the consent of two-thirds (2/3) of each class of members of the Association. Such Annexation shall become effective upon the recording of an amendment to this Declaration in the Public Records of Broward County.

#### ARTICLE VII

##### WITHDRAWAL OF PROPERTY

Anything herein to the contrary notwithstanding, Developer reserves the absolute right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, for the purpose of removing



certain portions of the Project from the provisions of this Declaration, so long as a Unit or Condominium Unit has not been constructed on said land to be withdrawn.

#### ARTICLE VIII

##### PLATTING AND SUBDIVISION RESTRICTIONS

As long as there is a Class B membership, Developer shall be entitled at any time and from time to time, to plat and/or replat all or any part of the Project, and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portion(s) of the Project without the consent or approval of Owners.

#### ARTICLE IX

##### ARCHITECTURAL CONTROL

Section 1. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Project, nor shall any exterior addition or change or alteration therein, including a change of the building exterior paint color, be made within the Project 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 the harmony of external design and location in relation to the surrounding structures and topography by the Board, or by an architectural control committee composed of three (3) or more representatives appointed by the Board ("Committee"). In the event said Board or its designated Committee fails to approve or disapprove such design and location within thirty (30) days after said plan and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Nothing contained herein shall relieve the Owner from the responsibility of obtaining proper governmental approvals and permits.

Section 2. The Association or the designated Committee shall not be liable to any Owner in connection with the exercise or non-exercise of architectural control hereunder, or the approval or disapproval of any alteration, addition, improvement or change. Furthermore, any approval of any plans or specifications by the Association or its designated Committee shall not be deemed to be a determination that such plans or specifications are complete or do not contain defects, or in fact meet any standards, guidelines and/or criteria of the Association, or are in fact architecturally or aesthetically appropriate, or comply with any applicable governmental

requirements, and the Association or its designated Committee shall not be liable for any deficiency, or any injury resulting from any deficiency in such plans and specifications.

Section 3. Notwithstanding the foregoing, so long as Developer owns any Lot, Unit, Condominium Unit or any portion of the Project, architectural control shall be vested in Developer and not the Association, and during such period all references contained in the subparagraph to the Association shall be deemed to refer to Developer, provided, however, that at any time Developer may assign its right to architectural control to the Association by a written assignment.

#### ARTICLE X

##### MAINTENANCE OF EXTERIOR OF OWNERS PROPERTY

In the event an Owner of any Lot or Condominium Unit in the Project shall fail to maintain the exterior of his Unit, Condominium Unit, or Limited Common Open Space 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 Lot or common elements of the condominium, and to repair, maintain and restore the exterior of the buildings and any other improvements erected thereon.

The cost of such exterior maintenance shall be assessed against the subject Unit or Condominium Unit(s) and such assessment shall be a charge on the land and shall be a continuing lien upon the Lot or Condominium Unit(s). 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 Lot or Condominium Unit(s).

#### ARTICLE XI

##### EASEMENTS

Section 1. Easements may be granted by the Association for utility purposes in accordance with the requirements of this Declaration.

Section 2. Developer does hereby establish and create for the benefit of the Association and for all Owners from time to time subject to this Declaration, and does hereby give, grant and convey to each of the aforementioned, the following easements, licenses, rights and privileges:

(i) Right-of-way for ingress and egress by vehicles or on foot, in, through, over, under and across the streets, roads and walks within the Common Open Space (as they may be built or relocated in the future).

(ii) Rights to connect to, maintain and make use of utility lines, wires, pipes, conduits, cable television lines, telephone lines and equipment, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Open Space and Limited Common Open Space.

Section 3. Developer reserves to itself, its designees, successors and assigns the easements, licenses, rights and privileges of a right-of way in, through, over, under and across the Project for the construction, maintenance and repair of utility lines, wires, pipes, conduits, cable television, sewers, and drainage lines which may from time to time be in or along the streets and roads of other areas of the Common Open Space. Developer also reserves the right for itself, its designees, successors and assigns to continue to use the Project, and any Common Open Space, roadways, sales offices, model homes, signs, flags, promotional material and parking spaces located on the Project, in its efforts to market Lots, land, Units and Condominium Units in the Project. This paragraph may not be amended without the prior written consent of the Developer.

Section 4. The Association and the Developer, by their execution of this Declaration, hereby grants to each condominium association and Lot Owner a non-exclusive perpetual easement for the maintenance, repair and replacement of water and sanitary sewer lateral pipes servicing the Lot and condominium and improvements thereon, which lateral pipes are located within the Common Open Space and Limited Common Open Space.

Section 5. Developer hereby grants to delivery, pickup and fire protection services, police, health and sanitation, and other public service personnel and vehicles, United States mail carriers, representatives of electrical, telephone, cable television and other utilities authorized by the Developer, its successors or assigns to service the Property, and to such other persons as the Developer from time to time may designated, the nonexclusive, perpetual right of ingress and egress over and across the Common Open Space and the Limited Common Open Space for the purposes of performing their authorized services and investigation.

Section 6. Encroachments on Lots or Common Open Space. In the event any portion of any roadway, walkway, parking area, roof drainage system, roof, trellis, water lines, sewer lines, utility lines, sprinkler system, Unit or any other improvement as originally constructed by Developer or its designee,

successor or assign encroaches on any Lot, condominium common elements, Common Open Space or Limited Common Open Space, it shall be deemed that the Owner of such Lot, condominium common elements, Common Open Space or Limited Common Open Space has granted a perpetual easement to the Owner of the adjoining Lot, Common Open Space, Limited Common Open Space or the Association as the case may be, for continuing maintenance and use of such encroaching roadway, walkway, parking area, roof drainage system, roof, trellis, water line, sewer line, utility line, sprinkler system or other structure originally constructed by the Developer. The foregoing shall also apply to any replacements of any such roadway, walkway, parking area, roof drainage system, roof, trellis, water lines, sewer lines, utility lines, sprinkler system or other structure, if same are constructed in substantial conformance to the original. Other encroachments may hereafter be maintained as provided in a Supplemental Declaration. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of this Declaration.

#### ARTICLE XII

##### CONVEYANCE OF COMMON OPEN SPACE TO ASSOCIATION

At such time that Developer closes title to the first Unit or Condominium Unit in the Project, Developer shall be obligated to convey title to all of the Common Open Space located in the Project to the Association, which shall be obligated to accept such conveyance. In the event Developer withdraws any of the Common Open Space from the effects of this Declaration as permitted by Article VII hereof, the Association will reconvey those Common Open Spaces withdrawn by Developer.

#### ARTICLE XIII

##### RESTRICTIONS

Section 1. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown or designated on the recorded plat(s). Within these easements, no structure, planting or other material shall be placed or permitted to remain which would damage or interfere with the installation or maintenance of the utilities or which may change the direction of flow or drainage channels in the easements. No obstructions such as gates, fences, etc., which will prevent emergency access shall be directed in any easement strip for fire fighting access purposes.

The Association is hereby granted an easement over each Lot and the common elements of each condominium for ingress and egress to any portions of the Lot or common elements of a condominium, or the improvements thereon requiring maintenance by the Association.

Section 2. Wells and Septic Tanks. Except for wells provided by Developer for irrigation purposes, no individual wells or septic tanks will be permitted on any Lot or the common elements of a condominium within this Project. This restriction will be enforceable as long as the water services and sewage disposal are in operation, satisfactorily servicing each Lot or condominium on which a completed building is located in said Project in accordance with the standard requirements as provided for by the State Board of Health Regulations.

Section 3. Nuisances. No noxious or offensive activity shall be carried on upon any lands within the Project, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 4. Temporary Structures and Use. No structure of a temporary character, trailer, basement, shack, garage, barn or other building shall be moved to, erected on, or used on any of the lands within the Project at any time for a residence, workshop, office, storage room, either permanently or temporarily, provided, however, that Developer may place on the Project construction sheds, trailers or temporary sales offices or sales trailers used to facilitate the construction and sale of land, Condominium Units and Units in the Project. No canvas, pipe, or other type of carport shall be placed between the sidewalk and the front building line on any Lot. Except during the delivery to homes, no commercial vehicles shall be parked in areas zoned for residential uses, including the streets adjacent to the residential Lots or condominiums. No business, service repair, or maintenance for the general public shall be allowed on any Lot or condominium common elements at any time. In order to prevent unsightly objects in and about each of the Units and Condominium Units to be erected in this Project, no gas tank, gas container, or gas cylinder, except those used by portable barbecue grills shall be permitted to be placed on or about the outside of any of the Units or Condominium Units built in this Project or any ancillary building.

Section 5. 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 Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any of the Project lands. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any of the Project lands.

Section 6. Pets. No animals, livestock, or poultry of any kind, other than common, traditional house pets (i.e., one dog or one cat, fish and caged birds), shall be kept by an Owner or his family members, guests, invitees or lessees, provided, however, that (a) each Unit or Condominium Unit may have only one (1) dog or one cat in a Unit or Condominium Unit; (b) no animals whatsoever may be kept or maintained for commercial purposes, (c) no animals shall be permitted to remain on any portion of the Project which become an unreasonable nuisance or annoyance to other Owners, and (d) any animal kept by an Owner shall be kept subject to any rules and regulations which may be promulgated from time to time by the Board. In no event shall dogs be permitted upon the Common Open Space unless under leash. Any Owner who keeps a pet thereby agrees to indemnify the Association and hold it harmless against any loss or liabilities of any kind or character whatsoever arising from or growing out of the keeping of any such pet. Notwithstanding anything to the contrary set forth herein for the safety of the Owners within the Project, no pit bull dogs shall be permitted to be housed on any Lot or within any Unit or Condominium Unit. All owners of pets shall be required and responsible to clean up any excretions of their pets.

Section 7. Visibility at Street Corners. 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.

Section 8. Clotheslines. No clotheslines shall be placed and no clothes drying shall be undertaken or permitted upon the Project, provided, however, the Board may, upon its sole discretion, permit on a revocable basis the location of collapsible, retractable or umbrellas type clotheslines or other equipment in the "back yard or patio" of the particular Unit or Condominium Unit whose Owner(s) have made such request.

Section 9. Barbecues. Barbecues may be located or permitted only upon the back patio or Limited Common Open Space of a Unit or Condominium Unit and upon such portions of the Common Open Space 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.

Section 10. Parking. No truck or van with more than a three-quarter ton capacity or any truck with other than standard size tires, no commercial vehicles, no house or travel trailer, motor home, camper, boat or boat trailer shall be parked in the Project. The term "commercial vehicle" shall include but not be limited to all automobiles, trucks and vehicular equipment including station wagons, which bear signs or shall have printed on the sides of same reference to any commercial undertaking or enterprise. Commercial vehicles in the process of loading or unloading shall not be considered parked so long as they are not kept in the Project overnight. Except as set forth above, no vehicle of any kind shall be parked in the Common Open Space other than that portion of the Common Open Space designated for parking by the Association or on any part of any Lot.

Section 11. Commercial and Recreational Vehicles. No boat, trailer, camper, golf cart or other type of recreational vehicle and commercial vehicle, including, but not limited to, trucks, pick-up trucks and vans (vans with side windows that are not commercial vehicles are permitted), shall park or be parked at any time on the Lots, common elements of a condominium, or Common Open Space unless it is a commercial vehicle in the process of being loaded or unloaded; and provided further that no vehicle shall be permitted to park or be parked overnight on the Lots, common elements of a condominium or Common Open Space. Notwithstanding the prior provision to the contrary, the Board may, in its sole discretion, designate portions of the Common Open Space for the parking of oversized commercial or recreational vehicles, trailers, campers, vans or boats.

Section 12. Standing Cycles or Other Items. No bicycles, scooters, wagons, carriages, shopping carts, chairs, benches, tables, toys, skateboard ramps or other such items shall be parked or be permitted to stand for any period of time on any part of the Project lands except in the storage sheds of each Unit or Condominium Unit or in the Limited Common Open Space or patio of a Unit or Condominium Unit if said rear yard or patio is completely fenced in and except in accordance with the rules and regulations promulgated from time to time by the Board. Motorcycles and motor scooters may be kept in the project so long as they are parked in the parking spaces designated by the Association for the particular Unit or Condominium Unit or they may be kept

in the patio or Limited Common Open Space appurtenant to a Unit or Condominium Unit so long as the patio or Limited Common Open Space is completely fenced. Motorcycles or motor scooters parked or stored in the Limited Common Open Space or patio shall be walked with the motor off, and not ridden to said parking or storage area from the roadway

Section 13. Antenna and Aerials. No antenna or aerial of any type shall be placed upon a Unit, Condominium Unit or within a Lot or the common elements of a condominium.

Section 14. Litter and Garbage Collection. No articles of personal property shall be hung or shaken from the doors or windows of any Unit or Condominium Unit. No Owner shall sweep or throw from his Unit or Condominium Unit any dirt or other materials or litter in any way upon the Project. No garbage, trash, refuse or rubbish shall be deposited, dumped, or kept on any part of the Project except in closed containers in the storage areas or patio area in rear of Unit or Condominium prior to the ultimate disposal in the dumpster facilities in closed plastic bags.

Section 15. Personal Property. No articles of personal property of Owners shall be placed on any portion of the Project lands unless such articles are being used by Owners in accordance with the terms and conditions of this Declaration and any rules and regulations promulgated from time to time by the Board.

Section 16. Removal of Sod and Shrubbery; Additional Planting. No sod, topsoil, trees or shrubbery shall be removed from the Project, 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 in the rear yard or patio of a Unit or a Condominium Unit subject to approval by the Architectural Control and Maintenance Standards Committee.

Section 17. 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 Project.

Section 18. Windows, Awnings and Shutters. No awnings, canopies or shutters, including hurricane or storm shutters, shall be attached or affixed to the exterior of a building and no foil, window tinting materials or



shielding materials or devises shall be placed upon any windows or sliding glass doors which are part of his Unit or Condominium Unit, unless such awnings, canopies, shutters, foil, window tinting materials or shielding materials have been approved by the Board or the Committee appointed by the Board, which approval may be based on the aesthetic appearance of the properties.

Section 19. Utility Additions. No additional utility system, including without limitation, water, sewage, electrical, air conditioning and heating systems lines, ducts, conduits, pipes, wires or fixtures, shall be added to service any Unit or Condominium Unit without the prior written consent thereto by the Board or an architectural control committee appointed by the Board, which consent shall not be unreasonably withheld if such addition complies with all applicable ordinances, requirements, and regulations of governmental authorities and such additions cause no damage or impairment or additional costs and the use of aesthetic appearance of the Project or any part or parts thereof are not impaired.

Section 20. Casualties. In the event that a Unit or Condominium Unit or any part thereof is destroyed by casualty or otherwise, or in the event any improvements upon the Common Open Space 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.

Section 21. Reconstruction. Any repair, rebuilding or reconstruction account of casualty or other damage to any Common Open Space 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 Committee. Any repair, rebuilding or reconstruction on account of casualty or other damage to any Unit or Condominium Unit 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 the Committee, and the Owner of such Unit or Condominium Unit.

Section 22. Rights of Developer. Notwithstanding any provisions in this Declaration to the contrary, including the provisions of this Article XIII, the Developer shall have the right with respect to the development of the Project to construct buildings and units and other improvements, including landscaping on the Project, and to expand or add to the recreational facilities. The construction of buildings, units and improvements, including the expansion and additions to the recreational facilities shall be of such type, nature, design, size, shape, height, materials and location, including the landscaping, which term shall be defined in its broadest sense as including grass, hedges, vines, trees and the like, as Developer determines in its sole discretion without obtaining consent and approval of the Committee, the Association or its members, provided however, that same complies with the applicable building codes and zoning laws of Broward County, Florida, in force at that time.

Section 23. Disturbances. No owner shall make or permit any disturbing noises on any Lot or in any Unit or Condominium Unit or do or permit anything to be done therein which will interfere with the rights, comforts or conveniences of other Owners. No Owner shall play upon or suffer to be played upon any musical instrument or operate or permit to be operated a phonograph or a radio or a television set or other loud speaker in such Owner's Unit between the hours of 11:00 p.m. and the following 8:00 a.m., if the same shall disturb or annoy other residents of the Project, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 p.m. and the following 8:00 a.m.

#### ARTICLE XIV

##### INSURANCE

##### Section 1. Purchase, Custody and Payment of Policies.

A. Purchase. All insurance policies covering the Common Open Space, and casualty insurance upon the Units shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida which has an office or agent located in the vicinity of the Project.

B. Approval by Institutional Lenders. Each Institutional Lender will have the right upon reasonable notice to the Association to review and approve, which approval shall not be unreasonably withheld, the form, content, insurer, limits and coverage of all insurance purchased by the

Association, and to require the Association to purchase insurance complying with the reasonable and customary requirements of the Institutional Lender. In the event of a conflict between Institutional Lenders, the decision of the Institutional Lender holding mortgages encumbering Units which secure the largest aggregate indebtedness shall control.

C. Named Insured. The named insured on all policies purchased by the Association shall be the Association, individually and as agent for all Owners covered by the policy, without naming them, and as agent for their mortgagees, without naming them.

D. Copies to Owners or Institutional Lenders. One (1) copy of each insurance policy covering the Units or a certificate evidencing same, and all endorsements thereon, shall be furnished by the Association to each Owner or Institutional Lender who holds a mortgage upon a Unit covered by the policy, and in writing requests the Association to provide it with such policies.

E. Personal Property and Liability. It shall be the Owners' obligation to obtain insurance at their own expense and at their own discretion for their personal property, personal liability, living expenses, and for improvements made to their Lot or Unit. The Association shall not be responsible to purchase personal property and person liability insurance on behalf of any Unit Owner.

F. Deductibles. Any deductible or exclusion under an insurance policy purchased by the Association on behalf of a Unit shall be paid by the Association.

## Section 2. Coverage.

A. Casualty. All Units and all improvements upon the Common Open Space and all personal property of the Association are to be insured in an amount equal to one hundred (100%) percent of the then current replacement cost, excluding foundation and excavating costs and other items normally excluded from coverage, as determined annually by the Association. Prior to obtaining any casualty insurance or renewal thereof, the Association shall obtain an appraisal from a fire insurance company or otherwise of the full replacement cost of the Units and improvements upon the Common Open Space and all personal property of the Association, without deduction for depreciation, for the purposes of determining the amount of casualty insurance to be

obtained pursuant to this Paragraph. Such coverage shall afford protection against:

1. Loss or damage by fire and other hazards covered by a standard extended coverage endorsement;

2. Such other risks as from time to time shall be customarily insured against with respect to buildings and improvements similar in construction, location and use, including, but not limited to vandalism and malicious mischief, and all other risks normally covered by a standard "All Risks" endorsement, where available.

3. The hazard insurance policy covering Units shall cover, among other things, all of the Units including, but not limited to, walls, doors, stairways, kitchen cabinets and fixtures, built-in kitchen appliances, electrical fixtures and bathroom cabinets and fixtures, all as originally supplied by Developer or having a value not in excess of that originally supplied by Developer. The hazard insurance policy shall not include any improvements made in any Unit by an Owner in addition to or having a value in excess of that originally supplied by Developer, or any wall, floor or ceiling coverings, furniture, furnishings or other personal property installed or brought into a Unit, from time to time, by the Owner or residents of a Unit, or their guests or invitees.

B. Liability. Comprehensive general public liability insurance insuring the Association against loss or damage resulting from accidents or occurrences on or about or in connection with the Common Open Space, or any work, matters or things related to the Common Open Space or this Declaration and its exhibits, with such coverage as shall be required by the Association but with a combined single limit liability of not less than One Million Dollars (\$1,000,000.00) for bodily injury, death or property damage, arising out of a single occurrence, and with cross liability endorsement to cover liabilities of the Owners as a group to an Owner.

C. Worker's Compensation as shall be required to meet the requirements of the law.

D. Such Other Insurance as the Association shall determine from time to time to be desirable or as may reasonably be required by an Institutional Lender pursuant to Section 1B of this Article XVI and as is customarily obtained with respect to improvements similar in construction, location and use to those contained within the Common Open Space, such as,

where applicable, contractual and all-written contract insurance, employer's liability insurance and comprehensive automobile liability insurance. In the event any Institutional Lender requires flood insurance it shall be purchased by the Association.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to: (i) subrogation against the Association and against the owners individually and as a group, (ii) any pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk, and (iii) avoid liability for a loss that is caused by an act of one or more directors of the Association or by one or more Owners; and shall provide that such policies may not be cancelled or substantially modified (except for increases in coverage for limits of liability) without at least ten (10) days prior written notice to the Association and to the holder of a first mortgage which is listed as a scheduled holder of a first mortgage in the insurance policy.

Section 3. Premiums. premiums for insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that any increase in any insurance premium occasioned by misuse, occupancy or abandonment of a Unit by a particular Owner, or by a resident of any Unit, or by a member of their families or their guests or invitees, shall be assessed against and paid by that Owner.

Section 4. Insurance Trustee. All casualty insurance policies purchased by the Association shall provide that all proceeds covering casualty losses in excess of \$25,000 shall, if designated by the Board, be paid to any national bank or trust company in the vicinity of the Project with trust powers as may be designated by the Association, as Trustee, which Trustee is herein referred to as the "Insurance Trustee". The Insurance Trustee shall not be liable for payment of premiums or for the renewal or sufficiency of the policies or for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the Association and any Institutional Lender for a Unit as their respective interests may appear, which shares need not be set forth in the records of the Insurance Trustee. Notwithstanding the foregoing, unless the Board so determines or unless any Institutional

Lender otherwise requires by written notice to the Association, no Insurance Trustee will be required, and all references in this Declaration to an Insurance Trustee shall refer to the Association where the context requires.

A. Common Open Space. Proceeds on account of damage to Common Open Space shall be held in as many undivided shares as there are Lots, the share of each Lot being equal.

B. Units. Proceeds on account of damage to Units shall be held for the benefit of the damaged Units in proportion to the cost of repairing the damage suffered by each Unit and the Association, if there is excess proceeds.

C. Institutional Lender. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit shall be held in trust for the Institutional Lender and the Association as their interests may appear. However, no Institutional Lender shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no Institutional Lender shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds.

Section 4. Distribution of Proceeds. Proceeds of the insurance policies received by the Insurance Trustee shall be distributed to, or for the benefit of, the beneficial owners in the following manner:

A. Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

B. Reconstruction or Repair. The remaining proceeds shall be paid to pay the cost of repair or reconstruction, as elsewhere provided. Any proceeds remaining after paying such cost shall be distributed to the Association.

C. Limitation on Use of Proceeds. In no event may any hazard insurance proceeds for losses to any Unit be used for other than expenses of the Insurance Trustee or for repair, replacement or reconstruction of any damage with the exception that any excess proceeds will be distributed as set forth in Section 4B above.

D. Association as Agent. The Association is hereby irrevocably appointed agent for each Unit Owner and for the holder of a mortgage or other lien upon a Unit and for each Owner of any other interest in the Unit to

adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

E. Notice of Possible Inadequate Insurance Coverage. In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Unit Owners, the Association shall give notice of any excess exposure within a reasonable time to all Unit Owners who may be exposed to the liability and they shall have the right to intervene and defend.

F. Inspection of Insurance Policies. A copy of each insurance policy purchased by the Association shall be made available for inspection by any Owner or Institutional Lender at reasonable times.

#### ARTICLE XV

##### RECONSTRUCTION OR REPAIR AFTER CASUALTY

Section 1. Determination to Reconstruct or Repair. If any part of the Project is damaged or destroyed by casualty, whether or not the damage will be repaired shall be determined in the following manner:

A. Common Open Space. If the damaged improvement is contained within a Common Open Space, the damaged property shall be reconstructed or repaired, unless 2/3 of the Owners vote to the contrary.

B. Units. In the event of damage to or destruction of any Units as a result of fire or other casualty, the Association shall arrange for the prompt repair and restoration of the Unit(s) (including any damaged bathroom and kitchen fixtures equivalent in value to that initially installed by the Developer, but not including improvements having a value in excess of that originally installed by Developer, or furniture, furnishings or other personal property supplied by any Unit Owner or tenant of a Unit Owner) and the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

Section 2. Plans and Specification. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements. Any reconstruction or repair must be in accordance with the ordinances of the controlling governmental authority, and must be approved by the controlling governmental authority or its appropriate review committee where required by such ordinances. Any reconstruction or repair

must be in conformance with the requirements of any controlling governmental authority, and where required appropriate permits for same shall be obtained.

Section 3. Responsibility. If the damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the Unit Owner, the Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

Section 4. Estimates of Cost. Immediately after casualty damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair from one or more reliable licensed contractors, and shall submit copies of all acceptable estimates to the Insurance Trustee.

Section 5. Assessments. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, or if any any time during or after the reconstruction and repair the funds for the payment of the cost thereof are insufficient, a Special Assessment shall be made against all of the Owners of the Units equally, in sufficient amounts to provide funds to pay such costs.

Section 6. Construction Funds. The funds for payment for costs of reconstruction and repair after casualty which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from Assessments against Unit Owners shall be disbursed in payment of such costs the following manner:

A. Association. If the total Assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair which is the responsibility of the Association is more than Twenty-five Thousand (\$25,000.00) Dollars, then the sums paid upon such Assessment shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such Assessments and disburse the same in payment of the costs of reconstruction and repair.

B. Insurance Trustee. The proceeds of insurance collected on account of a casualty and the sums deposited with the Insurance Trustee by the Association from collections of Assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be



disbursed in payment of the costs of the Insurance Trustee and the costs of reconstruction and repair in the following manner and order:

1. Association Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than Twenty-five Thousand Dollars (\$25,000.00), then the construction funds shall be disbursed in payment of such costs upon the order of the Association, provided, however, that upon request to the Insurance Trustee by an Institutional Lender which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

2. Association Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than Twenty-five Thousand (\$25,000.00) Dollars, then the construction funds shall be disbursed in payment of such costs in the manner required by the Association and upon approval of an architect qualified to practice in the State of Florida and employed by the Association to supervise the work.

3. Surplus. It shall be presumed that the first moneys disbursed in payment of the costs of the Insurance Trustee, if any, and the costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the Insurance Trustee, if any, and reconstruction and repair for which the fund is established, such balance shall be distributed to the Association.

4. Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine the payee nor the amount to be paid. Instead, the Insurance Trustee may rely upon a certificate of the Association executed by its President and Secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the name of the payee and the amount to be paid; provided, however, that when a mortgagee is herein required to be named as payee, the

Insurance Trustee shall also name the mortgagee as payee of any distribution of insurance proceeds to the Association and further provided that when the Association or a mortgagee which is the beneficiary of any insurance policy, the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the Association shall first be obtained by the Association for disbursements in payment of costs of reconstruction and repair.

#### ARTICLE XVI

##### GENERAL PROVISIONS

##### Section 1. Execution of Documents Required by Broward County, Florida.

The Developer's plan for the development of the Project may require from time to time the execution of certain documents required by the City of Sunrise, Florida. To the extent that said documents require the joinder of any or all property owners in the Project, each of said Owners, by virtue of his acceptance of a deed to his Unit or Condominium Unit, does irrevocably give and grant to the Developer, or any of its officers individually, full power of attorney to execute said documents as his agent and in his place and stead.

Section 2. Reservation of Right to Own, Install, Provide and Maintain a Closed Circuit Television System, Telecommunications System, a Master Antenna System and Community Antenna Television System (CATV Service).

A. Developer reserves and retains to itself, its successors and assigns: (i) the title to any closed circuit television system, telecommunications system, master antenna system, and related ancillary services and to the equipment including, but not limited to, conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment both active and passive (the "Central System") in and upon the Project and a perpetual easement for the placement and location of the Central System including, but not limited to conduits, wires, amplifiers, towers, antennae and related apparatus and electronic equipment, both active and passive; and (ii) a perpetual easement for ingress to and egress from the Project to service, maintain, install, repair and replace the aforesaid apparatus and equipment; and (iii) the right to connect the Central System to such receiving source as Developer may in its sole discretion feel appropriate, including, without limitation, companies licensed to provide the CATV service in Broward County, for which service Developer, its successors and assigns or designees shall have the right to charge the Association and/or individual Unit Owners a

reasonable fee not to exceed the maximum allowable charge for CATV service to single family residences as charged within the general vicinity.

B. The Unit Owners acknowledge that the Central System described in Subsection A above includes, but is not limited to the CATV services as well as the ancillary services which may include security; medical, smoke and fire alert; information retrieval and so forth. Such Central System, if offered, is part of Developer's endeavor to provide a total environment to the Unit Owners and enhance the "way-of-life" at the Project.

Section 3. Enforcement. The Association, or any Owner shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Court costs and reasonable attorneys' fees for a proceeding at law to enforce this Declaration, including any appeal thereof, shall be borne by the Owner(s) against whom the suit has been filed. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. 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.

Section 5. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by the Owners of sixty-six and two-thirds ( $66 \frac{2}{3}\%$ ) percent or more of the Units and Condominium Units. Notwithstanding the above, (i) there will be no amendment to the provisions of this Declaration pertaining to the maintenance of Common Open Space without the prior consent of Broward County, Florida; and (ii) Developer will have the right to amend this Declaration pursuant to Article VII without the consent of any Owners and/or Mortgagees. Any Amendment must be recorded.

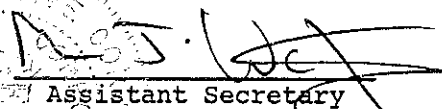
Section 6. Damage or Destruction to Common Open Space. Each Owner shall be liable to the Association for any damage to the Common Open Space not fully covered by collected insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family, tenants, guests and invitees, both minor and adult. Notwithstanding the foregoing,

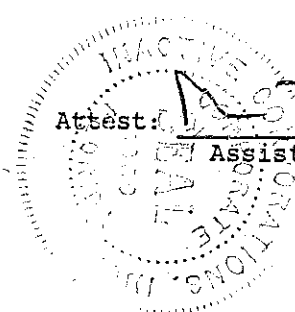
the Association reserves the right to charge such Owner a Special Assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Owner. The cost of correcting such damage shall be a Special Assessment against the Unit and may be collected as provided herein for the collection of Assessments.

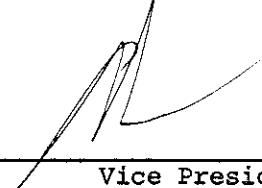
Section 7.      HUD/VA Approval.      Notwithstanding anything to the contrary set forth in this Declaration, so long as there is a Class "B" member, the prior approval of HUD/VA shall be required for (i) annexation of property other than the Undeveloped Parcel; (ii) Amendments to this Declaration other than the annexation of portions of the Undeveloped Parcel; or (iii) dissolution, merger or consolidation of the Association.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto executed this Declaration this 22nd day of July, 1992.

By: INACTIVE CORPORATIONS, INC.

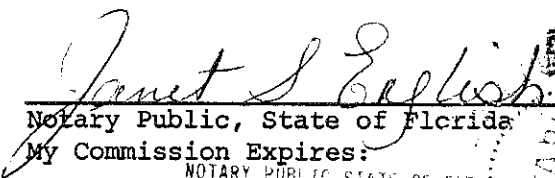
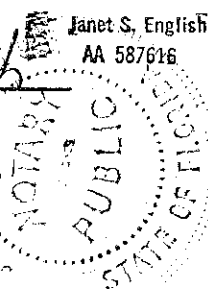
Attest:   
Assistant Secretary



By:   
Vice President

STATE OF FLORIDA  
COUNTY OF DADE

The foregoing Declaration was acknowledged before me this 22nd day of July, 1992 by Allan J. Pekor and Morris J. Watsky, the Vice President and Assistant Secretary, respectively, of Inactive Corporations, Inc., a Florida corporation, on behalf of the corporation.

  
Notary Public, State of Florida  
My Commission Expires: Aug. 30, 1992  
NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. AUG. 30, 1992  
BONDED THRU GENERAL INS. CO. OF FLA.  
Janet S. English  
AA 587616  


BK 9706 PCO 100

## TWIN FOUNTAINS PHASE TWO.

### LEGAL DESCRIPTION

A replat of "The Independence Club at Sunrise Lakes" as recorded in Plat Book 131 at Page 32 of the Public Records of Broward County, Florida, lying in Sections 13 and 24, Township 49 South, Range 40 East, Broward County, Florida and being more particularly described as follows:

BEGINNING at the Southeast corner of said plat of "The Independence Club at Sunrise Lakes"; Thence North  $01^{\circ}05'28''$  East, a distance of 778.96 feet to the point of curvature of a circular curve to the right; Thence Northeasterly along the arc of said curve having a radius of 300.00 feet and a central angle of  $43^{\circ}02'12''$ , a distance of 225.34 feet to the point of tangency (the last two (2) described courses being coincident with the westerly line of an 80.00 foot road right-of-way known as N.W. 120th Way); Thence North  $45^{\circ}52'20''$  West along a line radial to the last described curve, a distance of 254.77 feet to a point lying on the arc of a circular curve to the left at which the radius bears South  $47^{\circ}08'39''$  East; Thence Southwesterly along the arc of said curve having a radius of 11,299.16 feet and a central angle of  $05^{\circ}35'35''$ , a distance of 1,102.99 feet to the point of reverse curvature of a circular curve to the left; Thence Southwesterly along the arc of said curve having a radius of 11,619.16 feet and a central angle of  $00^{\circ}50'54''$ , a distance of 172.01 feet (the last two (2) described courses being coincident with the easterly right-of-way line of the Sawgrass Expressway); Thence South  $81^{\circ}55'40''$  East along a non-radial line, a distance of 264.68 feet; Thence South  $88^{\circ}54'32''$  East, a distance of 690.00 feet to the POINT OF BEGINNING, (the last seven (7) described courses being coincident with the boundary of said plat of "The Independence Club at Sunrise Lakes").

Said lands situate in the City of Sunrise, Broward County, Florida and containing 14.798 Acres, more or less.

EXHIBIT "A" TO DECLARATION

BK19706PG0101

MEMO: Legibility or writing  
typing or printing unsatisfactory in  
this document when microfilmed.

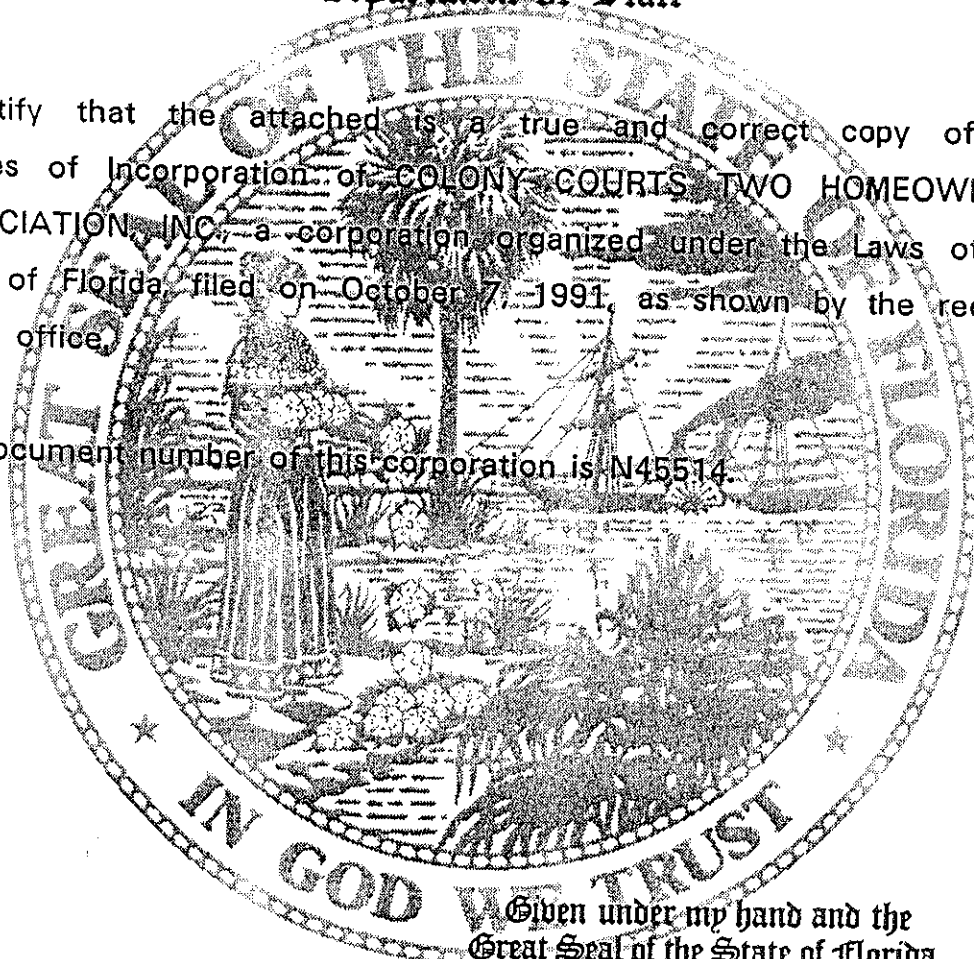
# State of Florida



## Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on October 7, 1991, as shown by the records of this office.

The document number of this corporation is N45514.



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

8th day of October, 1991.



CR2EO22 (2-91)

*Jim Smith*

Jim Smith  
Secretary of State

EXHIBIT "B" TO DECLARATION

BK 9706P60102

ARTICLES OF INCORPORATION  
OF  
COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC.

FILED  
OCT -7 PM 12:51  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

In compliance with the requirements of Chapter 617, Florida Statutes, the undersigned persons do hereby make, subscribe and acknowledge that they have voluntarily associated themselves together for the purpose of forming a corporation not for profit, the articles of incorporation of which read as follows:

ARTICLE I

NAME

The name of the corporation is the COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association".

ARTICLE II

PRINCIPAL OFFICE AND MAILING ADDRESS

The principal office and mailing address of the Association is located at 700 N.W. 107th Avenue, Miami, Florida 33172.

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

PURPOSE 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 Areas, and for the maintenance and improvement of any easements granted to the Association within the development known as COLONY COURTS TWO (the "Development") located in Broward County, Florida, more particularly described in the Declaration referred to below; and to promote the health, safety and welfare of its members and the residents within the Development and any additions thereto as may hereafter be brought within the jurisdiction of this Association, 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 Broward County, Florida, said Declaration being incorporated herein as if set forth at length;
- 4.2 Fix, levy, collect and enforce payment of, by any lawful means, all charges or 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;

BK19706PG0103

ARTICLES OF INCORPORATION  
OF  
COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC.

FILED  
OCT -7 PM 12:51  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

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- 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 Broward County, Florida, said Declaration being incorporated herein as if set forth at length;
- 4.2 Fix, levy, collect and enforce payment of, by any lawful means, all charges or 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 the votes 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 or authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. Such dedication or transfer shall only be effective with the assent of two-thirds (2/3) of the votes of 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, consolidation or annexation shall have the assent of two-thirds (2/3) of the votes of each Class of members; and
- 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, 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 and its officers shall, however, retain at all times the powers and duties granted by the Declaration, including but not limited to the making of assessments, promulgation of rules and execution of contracts on behalf of the Association;
- 4.8 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

- 5.1 Every condominium association and homeowners' association existing or hereafter created with responsibility for the administration, management and operation of a condominium or other residential community constructed or to be constructed in the Development, whose members are subjected by this Declaration to Assessments by the Association, each Builder, each Owner of a Rental Building and the Declarant shall be a Member of the Association. Memberships in the Association shall not be assignable, except to the successor-in-interest of the Member. Each Member Association shall represent the interests of all of its members. In the event a Rental Building is converted to a condominium, the Owner's Membership shall immediately terminate and the condominium association shall automatically become a member of the Association upon the recording of the Declaration of Condominium.
- 5.2 There shall be two (2) classes of Members as follows:
- (a) Class A Members. Class A Members shall be all of the condominium and homeowner's associations administering condominiums and other residential communities in the Development and the Owner of each Rental Building in the Development. A condominium association or homeowner's association shall automatically become a Class A member upon the recording of a declaration of condominium or a declaration authorizing the establishment of a homeowner's association. The Owner of a Rental Building shall become a member upon the recording of a Deed conveying the Rental Building to such Owner. Each condominium and homeowner's association shall be represented by one delegate hereinafter referred to as "Delegate". The Delegate shall act for, and on behalf of the condominium or

homeowner's association it represents and all members thereof in connection with any and all Association business.

- (b) Class B Members. The Class B member shall be Declarant or its successors or assigns who shall remain a member so long as it owns a Lot or Unit subject to the Declaration; provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the events as set forth in Article VI hereof.
- (c) "Declarant", "Owner", "Unit" and any other defined terms used herein or elsewhere in these Articles, are used with the definitions given those terms in the Declaration.

#### ARTICLE VI

##### VOTING RIGHTS

- 6.1 Class A Members. Each Class A Member association shall be entitled to one vote for each Unit owned by a member thereof in the project being administered by the Association, except the Declarant or a Builder, so long as said Unit is within the condominium or other residential community administered by the Member association. Each Owner of a Rental Building shall have one vote for each Unit in the Rental Building subject to assessment by the Association. In no event shall more than one vote be cast with respect to any Unit.
- 6.2 Class B Members. The Class B member(s) shall be the Declarant which shall be entitled to three (3) votes for each Lot or Unit owned by it in the Development, which is subject to assessment by an association. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:
- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on December 31, 2005.

#### 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:

<u>NAME</u>	<u>ADDRESS</u>
JOHN MILBURN	8320 N. W. 27 Place Sunrise, Florida 33322
WAYNE MC CLAIN	8320 N. W. 27 Place Sunrise, Florida 33322
MARLENE SCHRAGER	8320 N. W. 27 Place Sunrise, Florida 33322

- 7.2 The affairs of the Association shall be managed by a Board of Directors as provided in the By-Laws, but not less than three (3). So long as Declarant shall have the right to appoint the Board of Directors, Directors need not be members of the Association and need not be residents of the State of Florida; thereafter, all Directors shall be members of the Association and residents of the State of Florida. There shall be three (3) Directors appointed by the Class B member so long as the Class B member has the right to appoint the Board of Directors. After the Class B member's right to appoint the Board of Directors terminates, the Board of Directors shall be elected by the Class A members. Each Director elected by Class A members shall serve for a term from the date of

the meeting where he is elected until the next annual meeting. In no event can a Board member appointed by the Class B member be removed except by action of the Class B member. Any Director appointed by the Class B member shall serve at the pleasure of the Class B member, and may be removed from office, and a successor Director may be appointed at any time by the Class B member.

#### ARTICLE VIII

##### DURATION

The Association shall have perpetual existence.

#### ARTICLE IX

##### AMENDMENTS

- 9.1 Proposal. An amendment or amendments to these Articles of Incorporation 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 Members of the Association, whether meeting as Members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation 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 Meeting of the Members of the Association not later than sixty (60) days from the receipt by him of the proposed amendment or amendments.
- 9.2 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 sixty (60) days before the date set for the 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.
- 9.3 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 member of the Board of Directors of the Association, or by any Member of the Association, present in person or by proxy.
- 9.4 Approval. Except as elsewhere provided, the approval of a resolution for the adoption of a proposed amendment to these Articles of Incorporation 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 votes that may be cast by the voting membership of the Association. Members of the Board of Directors and 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.
- 9.5 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 4.4, 4.5 and 4.6 of Article IV entitled "Powers", without approval of 2/3 the votes of each Class of Members and the joinder of all record Owners of mortgages upon Units. 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 Declarant, or an affiliate of the Declarant, unless the Declarant shall join in the execution of the amendment. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication and/or mortgaging of Common Areas, dissolution and amendment of these Articles and mergers and consolidations.

- 9.6 Recording. Such amendment or amendments of these Articles of Incorporation 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 of Incorporation shall be recorded in the Public Records of Broward 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 X

##### 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 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

JOHN MILBURN  
8320 N. W. 27 Place  
Sunrise, Florida 33322

VICE PRESIDENT

WAYNE MC CLAIN  
8320 N. W. 27 Place  
Sunrise, Florida 33322

SECRETARY/TREASURER

MARLENE SCHRAGER  
8320 N. W. 27 Place  
Sunrise, Florida 33322

#### ARTICLE IX

##### 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 completed 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 proceedings, 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 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, officers, employees 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 or 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 11.
- 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 By-Law, 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, 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 have 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.

ARTICLE XIV

SUBSCRIBER

The name and address of the subscriber to these Articles of Incorporation is:

MORRIS J. WATSKY

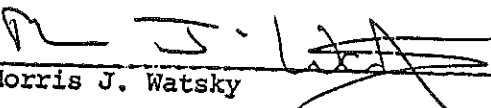
700 N.W. 107 Avenue  
Miami, Florida 33172

ARTICLE XV

DISSOLUTION

The Association may be dissolved with the assent given by not less than two-thirds (2/3) of the votes of each Class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non profit corporation, association, trust or other organization to be devoted to such similar purposes.

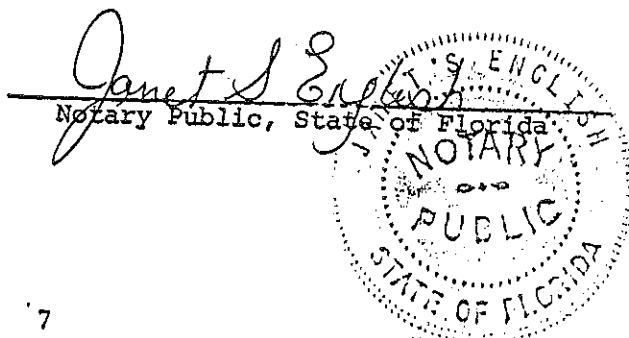
IN WITNESS WHEREOF, the undersigned subscriber has executed these Articles of Incorporation this 3rd day of October, 1991.

  
\_\_\_\_\_  
Morris J. Watsky

STATE OF FLORIDA  
COUNTY OF DADE

The foregoing instrument was acknowledged before me this 3rd day of October, 1991 by Morris J. Watsky.

My Commission Expires:  
NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. AUG. 10, 1992  
BONDED THRU GENERAL INS. UND.



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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, COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, with its principal offices at 700 N.W. 107 Avenue, Miami, Florida 33172, has named MORRIS J. WATSKY, whose office is located at 700 N.W. 107 Avenue, Miami, Florida, as its agent to accept service of process within the State.

ACKNOWLEDGEMENT

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

BK 19706P601110

# State of Florida



## Department of State

I certify that the attached is a true and correct copy of the Articles of Amendment, filed on February 24, 1992, to Articles of Incorporation for COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., a Florida corporation, as shown by the records of this office.

The document number of this corporation is N45514.

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

24th day of February, 1992.



CR2EO22 (2-91)

*Jim Smith*

Jim Smith  
Secretary of State

BK19706P60111



AMENDMENT TO ARTICLES OF INCORPORATION

OF

COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC.

The undersigned, President and Secretary of COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit (hereinafter referred to as "Corporation"), do hereby certify that the following amendment to the Articles of Incorporation of Colony Courts Two Homeowners Association, Inc. ("Articles") was duly proposed, approved and adopted by the Board of Directors of the Corporation and by a unanimous vote of the members of the Association at a Special Meeting thereof, held on February 11, 1992 at N.W. 27 Place, Sunrise, Florida:

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1992 FEB 24 PM 1:26  
CLERK OF DISTRICT COURT  
STATE OF FLORIDA  
TALLAHASSEE, FLORIDA

1. Article 5.1 is hereby amended to read as follows:

5.1 Every condominium association and homeowners' association existing or hereafter created with responsibility for the administration, management and operation of a condominium or other residential community constructed or to be constructed in the Development, whose members are subjected by the Declaration to Assessments by the Association shall be a Member of the Association. Memberships in the Association shall not be assignable, except to the successor-in-interest of the Member. Each Member Association shall represent the interests of all of its members.

2. Article 5.2(a) is hereby amended to read as follows:

(a) Class A Members. Class A Members shall be all of the condominium and homeowner's associations administering condominiums and other residential communities in the Development. A condominium association or homeowner's association shall automatically become a Class A member upon the recording of a declaration of condominium or a declaration authorizing the establishment of a homeowner's association. Each condominium and homeowner's association shall be represented by one delegate hereinafter referred to as "Delegate". The Delegate shall act for, and on behalf of the condominium or homeowner's association it represents and all members thereof in connection with any and all Association business.

3. Article 6.2(b) is hereby amended to read as follows:

(b) Six years from the date of the recording of the Declaration.

4. Except for the amendments set forth herein, the Articles of Incorporation of the Association shall remain as originally filed.

IN WITNESS WHEREOF, the undersigned have signed these Articles of amendment this 11th day of February, 1992.

COLONY COURTS TWO HOMEOWNERS  
ASSOCIATION, INC.

By: [Signature]

President

Attest: [Signature]

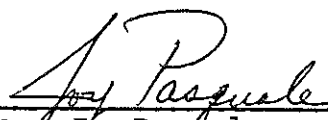
Secretary

BK119706PG01112

STATE OF FLORIDA  
COUNTY OF BROWARD

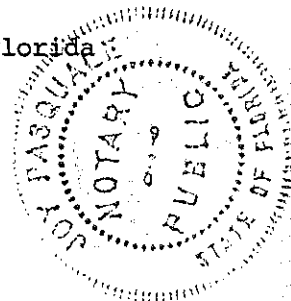
BEFORE ME, the undersigned authority, this day personally appeared John Milburn and Marlene Schrager, President and Secretary, respectively, of Colony Courts Two Homeowners Association, Inc., a Florida corporation not-for-profit, and known to me to be the persons who, as such officers, executed the foregoing Certificate and who acknowledged before me that they executed the same as such officers of said Corporation and for and on behalf of the Corporation. They are personally known to me and did not take an oath.

11<sup>th</sup> IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this day of February, 1992.

  
Name: Joy Pasquale  
Commission No:  
Notary Public, State of Florida

~~My Commission Expires:~~

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. DEC. 16, 1994  
BONDED THRU GENERAL INS. UND.



BK179706PG01113

BY-LAWS  
OF  
COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is the COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, hereinafter referred to as the "Association". The principal office of the corporation shall be located at 700 N. W. 107 Avenue, Miami, Florida 33172, but meetings of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Defined terms in the Declaration referred to in the Articles of Incorporation of this Association (hereinafter referred to as the "Declaration") are herein used as therein defined.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The first meeting of the Board of Directors of the Association shall be held immediately succeeding the annual meeting of members.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership, as defined in the Articles of Incorporation.

Section 3. Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to thirty-three and one-third percent (33-1/3%) of the votes of the entire membership.

#### ARTICLE IV

##### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. 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 nine (9) 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.

Section 2. Term of Office. 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 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 candidates receiving the fourth and fifth largest vote shall serve as directors for one year. At each annual meeting thereafter the members shall elect the appropriate number of directors for a term of three (3) years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a 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 written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE V

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the date of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall made as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act done or decision made by a majority of the directors present at duly held meetings at which a quorum is present shall be regarded as an act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Private Drives and Common Open Spaces, and the personal conduct of the members and their guests, thereon and to establish penalties for the infraction thereof;
- (b) suspend the voting rights of, and the right to the use of, the common facilities of a member during any period in which such member shall be in default in the payment of assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by any other provisions of these By-Laws, the Articles of Incorporation or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, an independent contractor, or other such employees as they deem necessary, and to prescribe their duties;
- (f) accept such other functions or duties with respect to, including architectural control, in addition to maintenance responsibilities, as are determined from time to time to be proper by the majority of the Board of Directors; and
- (g) delegate to, and contract with, a mortgage company or financial institution, responsibility for collection of the assessments of the Association.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

- (b) supervise all officers, agents and employees of this Association and to see that their duties are properly performed;
- (c) as provided in the Declaration, to:
  - (1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
  - (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
  - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.
- (d) issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned or controlled by the Association, or for which, in the opinion of a majority of the directors, it may be liable and should provide coverage;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Open Space to be maintained.

#### ARTICLE VIII

##### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors which shall follow each annual meeting of the members.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointment. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

The President shall preside at all meetings of the Board of Directors; see that resolutions and orders of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President

The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records



showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board.

#### Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members.

### ARTICLE IX

#### COMMITTEES

The Association shall appoint a Nominating Committee. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

### ARTICLE X

#### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

### ARTICLE XI

#### ASSESSMENTS

As more fully described in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessments are made and are the person obligation of the member.

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ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit 1991.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration while either of such entities has an interest, shall have the right to veto any of the above while there is a Class B membership.

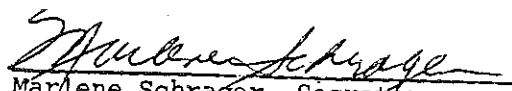
Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

I HEREBY CERTIFY that the foregoing By-Laws of the COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., were duly adopted by the Board of Directors of the Association and I have hereunto set my hand this 15th day of October, 1991.

  
Marlene Schrager, Secretary

RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
COUNTY ADMINISTRATOR

91431038

DECLARATION OF RESTRICTIONS

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, INACTIVE CORPORATIONS, INC., a Florida corporation, COLONY COURTS HOMEOWNERS ASSOCIATION, INC., and COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., both Florida corporations not-for-profit, being the owners of or having an interest in the property located in Broward County Florida, and more particularly described as follows:

See Exhibit "A" attached hereto

(hereinafter referred to as the "Property"), makes the following Declaration of Restrictions covering the above-described real property, specifying that this Declaration shall constitute a covenant running with the land and that this Declaration shall be binding upon the undersigned and upon all persons deraining title through the undersigned. These restrictions, during their lifetime, shall be for the benefit of and limitation upon all present and future owners of the real property.

1. That the Property shall be used as a buffer zone and that no improvements shall be erected, altered, placed or permitted to remain on the Property, except trees, bushes, grass and other landscaping plants.

2. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them, unless an instrument signed by all of the then owners of the Property, and the City of Sunrise, Florida, has been recorded agreeing to change the covenants in whole or in part.

3. Enforcement shall be by action against any person or persons violating or attempting to violate any covenants, either to restrain violation or to recover damages. The party bringing the action shall be entitled to recover, in addition to costs and disbursements allowed by law, such sum as the Court may adjudge to be reasonable for the services of his attorney.

IN WITNESS WHEREOF, the parties hereto above have executed this Declaration of Restrictions as of the 25th day of October, 1991.

Signed, sealed and delivered  
in the presence of:

INACTIVE CORPORATIONS, INC., a Florida  
corporation

By: M. E. [Signature]  
Vice President

Attest: [Signature]  
Assistant Secretary

COLONY COURTS HOMEOWNERS  
ASSOCIATION, INC., a Florida  
corporation not-for-profit

By: [Signature]  
President

Attest: [Signature]  
Secretary

TWO  
COLONY COURTS/HOMEOWNERS  
ASSOCIATION, INC., a Florida  
corporation not-for-profit

By: [Signature]  
President

Attest: [Signature]  
Secretary

Janet S English  
[Signature]

Denise Brown

[Signature]

Denise Brown

[Signature]

STATE OF FLORIDA  
COUNTY OF DADE

The foregoing Declaration was acknowledged before me this 24th day of October, 1991, by M. E. Saleda and Morris J. Watsky, the Vice President and Assistant Secretary, respectively, of Inactive Corporations, Inc., a Florida corporation, on behalf of said corporation.

Garet S. English  
Notary Public, State of Florida

Commission Expires: NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. AUG. 10, 1992  
BONDED THRU GENERAL INS. UND.

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing Declaration was acknowledged before me this 25th day of October, 1991, by John Milburn and Marlene Schrager, the President and Secretary, respectively of Colony Courts Homeowners Association, Inc., a Florida corporation, not-for-profit, on behalf of said corporation.

Greta F. Catana  
Notary Public, State of Florida

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. SEPT. 5, 1994  
BONDED THRU GENERAL INS. UND.

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing Declaration was acknowledged before me this 25th day of October, 1991, by John Milburn and Marlene Schrager, the President and Secretary, respectively, of Colony Courts Two Homeowners Association, Inc., a Florida corporation not-for-profit, on behalf of said corporation.

Greta F. Catana  
Notary Public, State of Florida

Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. SEPT. 5, 1994  
BONDED THRU GENERAL INS. UND.

BK18971P0301

25.00 FOOT BUFFER EASEMENT  
FOR  
TWIN FOUNTAINS HOMEOWNERS  
ASSOCIATION, INC.

A 25.00 FOOT STRIP OF LAND LYING IN TRACTS "A" "B" AND "C" OF THE PLAT OF "TWIN FOUNTAINS REPLAT" AS RECORDED IN PLAT BOOK 142 AT PAGE 38 AND IN TRACT "A" OF THE PLAT OF "THE INDEPENDENCE CLUB AT SUNRISE LAKES" AS RECORDED IN PLAT BOOK 131 AT PAGE 32, BOTH OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST (N.E.) CORNER OF SAID PLAT OF "TWIN FOUNTAINS REPLAT"; THENCE SOUTH 01°05'15" WEST ALONG THE EASTERLY BOUNDARY OF SAID PLAT, A DISTANCE OF 24.50 FEET; THENCE NORTH 88°54'45" WEST, A DISTANCE OF 698.19 FEET; THENCE NORTH 51°55'31" WEST, A DISTANCE OF 272.91 FEET (THE LAST TWO (2) COURSES RUN ALONG LINES 24.50 FEET SOUTH OF AND PARALLEL WITH (AS MEASURED AT RIGHT ANGLES TO) THE NORTHERLY BOUNDARY OF SAID PLAT) TO A POINT LYING ON THE ARC OF A CIRCULAR CURVE TO THE LEFT AT WHICH THE RADIUS BEARS NORTH 51°46'19" WEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, (ALSO BEING THE WESTERLY BOUNDARY OF SAID "TWIN FOUNTAINS REPLAT" AND "THE INDEPENDENCE CLUB AT SUNRISE LAKES") HAVING A RADIUS OF 11,619.16 FEET AND A CENTRAL ANGLE OF 00°07'24", A DISTANCE OF 25.00 FEET; THENCE SOUTH 51°55'31" EAST, A DISTANCE OF 264.51 FEET; THENCE SOUTH 88°54'45" EAST, A DISTANCE OF 689.83 FEET (THE LAST TWO (2) COURSES RUN ALONG LINES 0.50 NORTH OF AND PARALLEL WITH (AS MEASURED AT RIGHT ANGLES TO) SAID NORTHERLY BOUNDARY); THENCE SOUTH 01°05'15" WEST ALONG THE EASTERLY BOUNDARY OF SAID "INDEPENDENCE CLUB AT SUNRISE LAKES", A DISTANCE OF 0.50 FEET TO THE POINT OF BEGINNING.

SAID LANDS SITUATE IN THE CITY OF SUNRISE, BROWARD COUNTY, FLORIDA.

NOTE: BEARING BASED ON THE EASTERLY BOUNDARY (SOUTH 01°05'15" WEST) OF SAID PLAT OF "TWIN FOUNTAINS REPLAT".

KL05KAT.TKB

EXHIBIT "A"

91431036

CROSS ACCESS AGREEMENT

This Cross Access Agreement (the "Agreement"), made as of the 25th day of October, 1991, by and between COLONY COURTS HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Colony Courts") and COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Colony Courts Two").

W I T N E S S E T H:

WHEREAS, Colony Courts is the owner of that certain real property located in Broward County, Florida, more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Colony Courts Property");

WHEREAS, Colony Courts Two is the owner of that certain real property located in Broward County, Florida, more particularly described in Exhibit "B" attached hereto and by this reference made a part hereof (the "Colony Courts Two Property");

WHEREAS, the Colony Courts Property and Colony Courts Two Property are roughly identified in the sketch (the "Layout Sketch") attached hereto as Exhibit "C" and by this reference made a part hereof, which Layout Sketch is not provided for accuracy of description but physical layout only;

WHEREAS, Colony Courts and Colony Courts Two would each like to provide each other with cross access over their respective properties in the manner and under the terms and provisions hereinafter provided.

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference as though fully set forth herein.

2. Colony Courts hereby grants to Colony Courts Two, its successors and assigns, and its guests, tenants and invitees and all persons who may now or hereafter use, occupy or visit the Colony Courts Two Property (collectively, the "Colony Courts Two Beneficiaries"), a perpetual non-exclusive easement to use in common with Colony Courts and its successors and assigns and its guests, tenants and invitees and all persons who may now or hereafter use, occupy or visit the Colony Courts Property (collectively, the "Colony Courts Beneficiaries") for pedestrian and motor vehicle ingress and egress (but in no event for parking) to and from the Colony Courts Two Property over and through any roadway or roadways within the Colony Courts Property (the "Colony Courts Roadways").

3. Colony Courts Two hereby grants to Colony Courts Beneficiaries, a perpetual non-exclusive easement to use in common with Colony Courts Two and the Colony Courts Two Beneficiaries for pedestrian and motor vehicle ingress and egress (but in no event for parking) to and from the Colony Courts Property over and through any roadway or roadways within the Colony Courts Two Property (the "Colony Courts Two Roadways").

4. Colony Courts shall maintain the Colony Courts Roadways in good condition and repair at all times and shall be solely responsible for the costs of necessary repairs, replacements and maintenance of the Colony Courts Roadways.

5. Except as required by law, to the extent reasonably possible, Colony Courts will at all times keep the Colony Courts Roadways free from obstruction of any kind or nature whatsoever, except as may be required temporarily from time to time to effect repairs, improvements and replacement. All repairs, replacement and maintenance of the Colony Courts Roadways shall be conducted in a manner that will, to the extent reasonably possible, minimize the disruption to the ingress and egress provided over the Colony Courts Roadways.

6. Colony Courts Two shall maintain the Colony Courts Two Roadways in good condition and repair at all times and shall be solely responsible for the costs of necessary repairs, replacements and maintenance of the Colony Courts Two Roadways.

7. Except as required by law, to the extent reasonably possible, Colony Courts Two will at all times keep the Colony Courts Two roadways free from obstruction of any kind or nature whatsoever, except as may be required temporarily from time to time to effect repairs, improvements and replacement. All repairs, replacement and

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maintenance of the Colony Courts Two Roadways shall be conducted in a manner that will, to the extent reasonably possible, minimize the disruption to the ingress and egress provided over the Colony Courts Two Roadways.

8. Any and all notices required or permitted to be served pursuant to the terms of this Agreement shall be in writing and shall be served by registered or certified mail, with return receipt requested and postage prepaid as follows:

Upon Colony Courts: Colony Courts Homeowners  
Association, Inc.  
c/o Inactive Corporations, Inc.  
8320 N. W. 27th Place  
Sunrise, Florida 33322

Upon Colony Courts Two: Colony Courts Two Homeowners  
Association, Inc.  
c/o Inactive Corporations, Inc.  
8320 N. W. 27th Place  
Sunrise, Florida 33322

or to such other address as the parties shall designate in writing. Notice shall be deemed given three (3) days following the date when deposited in the United States mail in the manner aforesaid, with sufficient prepaid postage affixed to carry same to its destination.

9. Colony Courts agrees to promptly pay all contractors, suppliers, and materialmen performing any work for Colony Courts on the Colony Courts Property contemplated hereunder in order to avoid any statutory liens from attaching to the Colony Courts Property by virtue of such work. In the event any such lien should be filed against the Colony Courts Property, Colony Courts shall discharge same of record within ten (10) days after written request from Colony Courts Two.

10. Colony Courts Two agrees to promptly pay all contractors, suppliers, and materialmen performing any work for Colony Courts Two on the Colony Courts Two Property contemplated hereunder in order to avoid any statutory liens from attaching to the Colony Courts Two Property by virtue of such work. In the event any such lien should be filed against the Colony Courts Two Property, Colony Courts Two shall discharge same of record within ten (10) days after written request from Colony Courts.

11. This Agreement shall be construed and enforced in accordance with the laws of the State of Florida. The provisions of this Agreement shall be and shall be deemed to be covenants running with the land, intended to (i) burden the Colony Courts Property with respect to the Colony Courts Two Property and shall be binding upon the Colony Courts Property, Colony Courts, its successors and assigns, and all persons claiming by, through or under Colony Courts, including, without limitation, the successors, assigns, heirs, personal representatives, transferees, mortgagees and lessees of Colony Courts, and (ii) burden the Colony Courts Two Property with respect to the Colony Courts Property and shall be binding upon the Colony Courts Two Property, Colony Courts Two, its successors and assigns, and all persons claiming by, through or under Colony Courts Two, including, without limitation, the successors, assigns, heirs, personal representatives, transferees, mortgagees and lessees of Colony Courts Two.

12. This Agreement may not be altered, amended or revoked, unless by a writing in recordable form, made by and between the then owners of the Colony Courts Property and the then owners of the Colony Courts Two Property, and any portion thereof, and by all persons holding a mortgage or mortgages encumbering the Colony Courts Property or any portion thereof and/or the Colony Courts Two Property or any portion thereof.

13. In the event of the violation of any of the terms and obligations herein contained, the party or parties entitled to enforce this Agreement shall have the right to do so either by action at law or in equity against any party(s), entities, person(s), firms or corporations violating, or attempting to violate, any of the covenants contained herein, either to restrain such violation, to abate same, to recover damages, or for any combination of the foregoing.

14. Invalidity of any one or any combination of the covenants contained herein by judgment or court order shall in no way affect any of the other provisions hereof, or any of the other provisions recited herein, all of which shall remain in full force and effect.

EX-108 / 1160289

IN WITNESS WHEREOF, the parties hereto above executed this Cross Access Agreement as of the date and year first written above.

Signed, sealed and delivered  
the presence of:

Denise Brown

Lisa Stuel

Denise Brown

Lisa Stuel

Colony Courts Homeowners Association, Inc., a Florida not-for-profit corporation

By: John D. Milburn President  
Marlene Schrage Secretary

Colony Courts Two Homeowners Association, Inc., a Florida not-for-profit corporation

By: John D. Milburn President  
Marlene Schrage Secretary

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing Agreement was acknowledged before me this 25th day of October, 1991, by John Milburn and Secretary, the President and Secretary, respectively, of Colony Courts Homeowners Association, Inc. a Florida corporation, not-for-profit, on behalf of said corporation.

My Commission Expires:

Anta F. Catano  
Notary Public, State of Florida

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. SEPT. 5, 1994  
BONDED THRU GENERAL INS. UND.

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing Agreement was acknowledged before me this 25th day of October, 1991, by John Milburn and Marlene Schrage, the President and Secretary, respectively, of Colony Courts Two Homeowners Association, Inc., a Florida corporation, not-for-profit, on behalf of said corporation.

My Commission Expires:

Anta F. Catano  
Notary Public, State of Florida

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. SEPT. 5, 1994  
BONDED THRU GENERAL INS. UND.



TWIN FOUNTAINS REPLAT  
(TWIN FOUNTAINS PHASE ONE)

LEGAL DESCRIPTION

A PORTION OF TRACT "A", TWIN FOUNTAINS, AS RECORDED IN PLAT BOOK 129,  
PAGE 41, PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, BEING MORE  
PARTICULARLY DESCRIBED AS FOLLOWS:

FROM THE SOUTHEAST CORNER OF SAID TRACT "A"; THENCE N. 01°-05'-15"E.  
ALONG THE EAST LINE OF SAID TRACT AND WESTERLY RIGHT-OF-WAY LINE OF  
N.W. 120th WAY, 1094.00' FEET TO THE POINT OF BEGINNING; THENCE  
LEAVING SAID LINE, N. 88°-54'-45"W., 954.71' FEET TO THE WEST LINE OF  
SAID TRACT; THENCE N. 01°-05'-15"E., ALONG SAID WEST LINE, 743.12' FEET  
TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE SAWGRASS EXPRESSWAY;  
THENCE ALONG SAID RIGHT-OF-WAY AND THE ARC OF A CURVE CONCAVE  
NORTHWESTERLY, HAVING A RADIUS OF 11519.18' FEET AND A RADIAL BEARING  
OF S. 51°-27'-30"E., 88.07' FEET, THROUGH A CENTRAL ANGLE OF 00°-26'-03.5";  
THENCE LEAVING SAID CURVE ALONG A NONRADIAL LINE, S. 51°-55'-31"E., ALONG  
THE NORTHERLY LINE OF SAID TRACT "A", 264.68' FEET; THENCE S. 88°-54'-45"E.  
ALONG SAID NORTHERLY LINE, 690.00' FEET TO THE NORTHEAST CORNER OF SAID  
TRACT; THENCE S. 01°-05'-15"W., ALONG THE EAST LINE OF SAID TRACT AND  
WESTERLY RIGHT-OF-WAY LINE OF N.W. 120th WAY, 654.00' FEET TO THE POINT  
OF BEGINNING.  
CONTAINING 14.872 ACRES, MORE OR LESS.

BK 18871 PG 0291

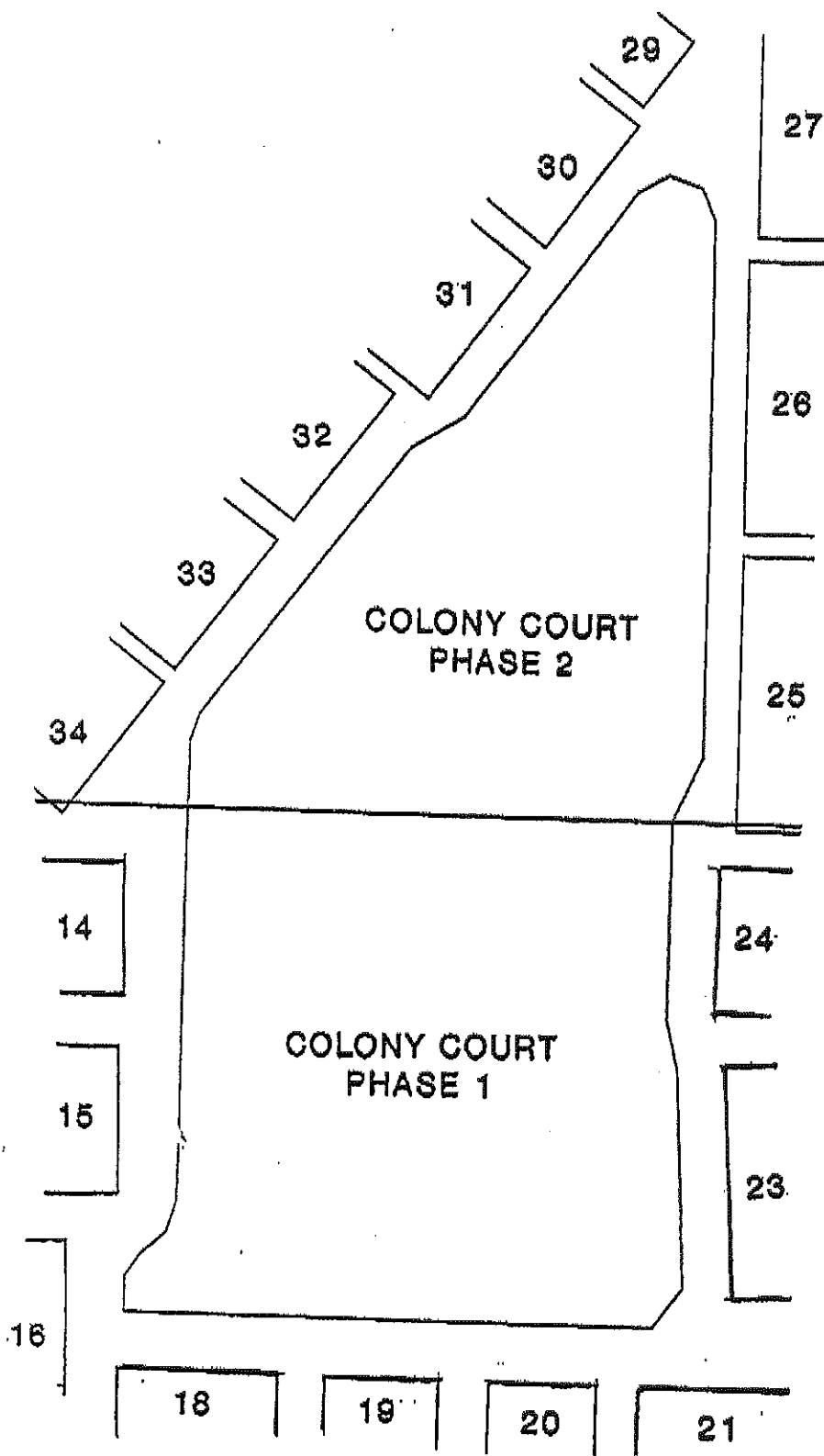
## TWIN FOUNTAINS PHASE TWO

### LEGAL DESCRIPTION

A replat of "The Independence Club at Sunrise Lakes" as recorded in Plat Book 131 at Page 32 of the Public Records of Broward County, Florida, lying in Sections 13 and 24, Township 49 South, Range 40 East, Broward County, Florida and being more particularly described as follows:

BEGINNING at the Southeast corner of said plat of "The Independence Club at Sunrise Lakes"; Thence North  $01^{\circ}05'28''$  East, a distance of 775.96 feet to the point of curvature of a circular curve to the right; Thence Northeasterly along the arc of said curve having a radius of 300.00 feet and a central angle of  $43^{\circ}02'12''$ , a distance of 225.34 feet to the point of tangency (the last two (2) described courses being coincident with the westerly line of an 80.00 foot road right-of-way known as N.W. 120th Way); Thence North  $45^{\circ}52'20''$  West along a line radial to the last described curve, a distance of 254.77 feet to a point lying on the arc of a circular curve to the left of which the radius bears South  $47^{\circ}08'39''$  East; Thence Southwesterly along the arc of said curve having a radius of 11,299.16 feet and a central angle of  $05^{\circ}35'35''$ , a distance of 1,102.99 feet to the point of reverse curvature of a circular curve to the left; Thence Southwesterly along the arc of said curve having a radius of 11,619.16 feet and a central angle of  $00^{\circ}50'54''$ , a distance of 172.01 feet (the last two (2) described courses being coincident with the easterly right-of-way line of the Sawgrass Expressway); Thence South  $51^{\circ}55'40''$  East along a non-radial line, a distance of 264.68 feet; Thence South  $88^{\circ}54'32''$  East, a distance of 690.00 feet to the POINT OF BEGINNING, (the last seven (7) described courses being coincident with the boundary of said plat of "The Independence Club at Sunrise Lakes").

Said lands situate in the City of Sunrise, Broward County, Florida and containing 14.798 Acres, more or less.



RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY FLORIDA  
COUNTY ADMINISTRATOR

EXHIBIT "C"

RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
COUNTY ADMINISTRATOR

BK 8871 PG 0293

91431037

CROSS FLOW AGREEMENT

This Cross Flow Agreement (the "Agreement"), made as of the 28th day of October, 1991, by and between COLONY COURTS HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Colony Courts") and COLONY COURTS TWO HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Colony Courts Two").

W I T N E S S E T H:

WHEREAS, Colony Courts is the owner of that certain real property located in Broward County, Florida, more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Colony Courts Property");

WHEREAS, Colony Courts Two is the owner of that certain real property located in Broward County, Florida, more particularly described in Exhibit "B" attached hereto and by this reference made a part hereof (the "Colony Courts Two Property");

WHEREAS, the Colony Courts Property and Colony Courts Two Property (sometimes hereinafter referred to as "the Lake") are portions of a continuous lake and roughly identified in the sketch (the "Layout Sketch") attached hereto as Exhibit "C" and by this reference made a part hereof, which Layout Sketch is not provided for accuracy of description but physical layout only;

WHEREAS, Colony Courts and Colony Courts Two would each like to provide each other with cross flow over their respective properties in the manner and under the terms and provisions hereinafter provided.

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference as though fully set forth herein.

2. Colony Courts hereby grants to Colony Courts Two, its successors and assigns, a perpetual non-exclusive, cross free-flow easement for the water in the Colony Courts Two Property to freely flow to and from that portion of the Lake that is the Colony Courts Property.

3. Colony Courts Two hereby grants to Colony Courts, its successors and assigns, a perpetual non-exclusive cross free-flow easement for the water in the Colony Courts Property to freely flow to and from that portion of the Lake that is the Colony Courts Property.

4. Colony Courts and Colony Courts Two will jointly maintain the Lake whereby the cost of maintenance will be shared based on the number of square feet of the Lake owned by each in relation to the entire square feet of the Lake.

5. Any and all notices required or permitted to be served pursuant to the terms of this Agreement shall be in writing and shall be served by registered or certified mail, with return receipt requested and postage prepaid as follows:

Upon Colony Courts:

Colony Courts Homeowners  
Association, Inc.  
c/o Inactive Corporations, Inc.  
8320 N. W. 27th Place  
Sunrise, Florida 33322

Upon Colony Courts Two:

Colony Courts Two Homeowners  
Association, Inc.  
c/o Inactive Corporations, Inc.  
8320 N. W. 27th Place  
Sunrise, Florida 33322

or to such other address as the parties shall designate in writing. Notice shall be deemed given three (3) days following the date when deposited in the United States mail in the manner aforesaid, with sufficient prepaid postage affixed to carry same to its destination.

6. This Agreement shall be construed and enforced in accordance with the laws of the State of Florida. The provisions of this Agreement shall be and shall be

deemed to be covenants running with the land, intended to (i) burden the Colony Courts Property with respect to the Colony Courts Two Property and shall be binding upon the Colony Courts Property, Colony Courts, its successors and assigns, and all persons claiming by, through or under Colony Courts, including, without limitation, the successors, assigns, heirs, personal representatives, transferees, mortgagees and lessees of Colony courts, and (ii) burden the Colony Courts Two Property with respect to the Colony Courts Property and shall be binding upon the Colony Courts Two Property, Colony Courts Two, its successors and assigns, and all persons claiming by, through or under Colony Courts Two, including, without limitation, the successors, assigns, heirs, personal representatives, transferees, mortgagees and lessees of Colony Courts Two.

7. This Agreement may not be altered, amended or revoked, unless by a writing in recordable form, made by and between the then owners of the Colony Courts Property and the then owners of the Colony Courts Two Property, and any portion thereof, and by all persons holding a mortgage or mortgages encumbering the Colony Courts Property or any portion thereof and/or the Colony Courts Two Property or any portion thereof.

8. In the event of the violation of any of the terms and obligations herein contained, the party or parties entitled to enforce this Agreement shall have the right to do so either by action at law or in equity against any party(s), entities, person(s), firms or corporations violating, or attempting to violate, any of the covenants contained herein, either to restrain such violation, to abate same, to recover damages, or for any combination of the foregoing.

9. Invalidity of any one or any combination of the covenants contained herein by judgment or court order shall in no way affect any of the other provisions hereof, or any of the other provisions recited herein, all of which shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto above executed this Cross Flow Agreement as of the date and year first written above.

Signed, sealed and delivered  
the presence of:

Colony Courts Homeowners Association, in  
Inc., a Florida not-for-profit  
corporation

Denise Brown  
Lisa Hall

By: John D. Milburn  
Marlene Schrage

ASSOCIATION INC.  
STATE  
PRESIDENT  
SECRETARY  
FLORIDA  
PROPERTY

Colony Courts Two Homeowners  
Association, Inc., a Florida not-for-  
profit corporation

Denise Brown  
Lisa Hall

By: John D. Milburn  
Marlene Schrage

PRESIDENT  
SECRETARY

BK18871PG0295

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing Agreement was acknowledged before me this 28th day of October, 1991, by John Milburn and Marlene Schrage, the President and Secretary, respectively, of Colony Courts Homeowners Association, Inc., a Florida corporation, not-for-profit, on behalf of said corporation.

My Commission Expires:

Carla F. Catana  
Notary Public, State of Florida

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. SEPT. 5, 1994  
BONDED THRU GENERAL INS. UND.

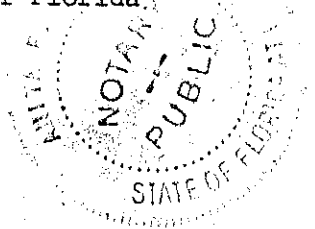
STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing Agreement was acknowledged before me this 28th day of October, 1991, by John Milburn and Marlene Schrager, the President and Secretary, respectively, of Colony Courts Two Homeowners Association, Inc., a Florida corporation, not-for-profit, on behalf of said corporation.

Genta F. Caton  
Notary Public, State of Florida

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
COMMISSION EXPI. SEPT. 8, 1994  
BOARD TRNG GENERAL INS. UND.



BK18871PG0296

TWIN FOUNTAINS REPLAT  
(TWIN FOUNTAINS PHASE ONE)

LEGAL DESCRIPTION

A PORTION OF TRACT "A", TWIN FOUNTAINS, AS RECORDED IN PLAT BOOK 129,  
PAGE 41, PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, BEING MORE  
PARTICULARLY DESCRIBED AS FOLLOWS:

FROM THE SOUTHEAST CORNER OF SAID TRACT "A": THENCE N. 01°-05'-15" E,  
ALONG THE EAST LINE OF SAID TRACT AND WESTERLY RIGHT-OF-WAY LINE OF  
N. W. 120th WAY, 1094.00' FEET TO THE POINT OF BEGINNING; THENCE  
LEAVING SAID LINE, N. 88°-54'-45" W., 954.71' FEET TO THE WEST LINE OF  
SAID TRACT; THENCE N. 01°-05'-15" E., ALONG SAID WEST LINE, 749.12' FEET  
TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE SAWGRASS EXPRESSWAY;  
THENCE ALONG SAID RIGHT-OF-WAY AND THE ARC OF A CURVE CONCAVE  
NORTHWESTERLY, HAVING A RADIUS OF 11519.16' FEET AND A RADIAL BEARING  
OF S. 51°-27'-30" E., 88.07' FEET, THROUGH A CENTRAL ANGLE OF 00°-28'-03.5";  
THENCE LEAVING SAID CURVE ALONG A NONRADIAL LINE, S. 51°-55'-31" E., ALONG  
THE NORTHERLY LINE OF SAID TRACT "A", 264.68' FEET; THENCE S. 88°-54'-45" E.  
ALONG SAID NORTHERLY LINE, 690.00' FEET TO THE NORTHEAST CORNER OF SAID  
TRACT; THENCE S. 01°-05'-15" W., ALONG THE EAST LINE OF SAID TRACT AND  
WESTERLY RIGHT-OF-WAY LINE OF N. W. 120th WAY, 554.00' FEET TO THE POINT  
OF BEGINNING.  
CONTAINING 14.872 ACRES, MORE OR LESS.

BK18871PG0297

## TWIN FOUNTAINS PHASE TWO

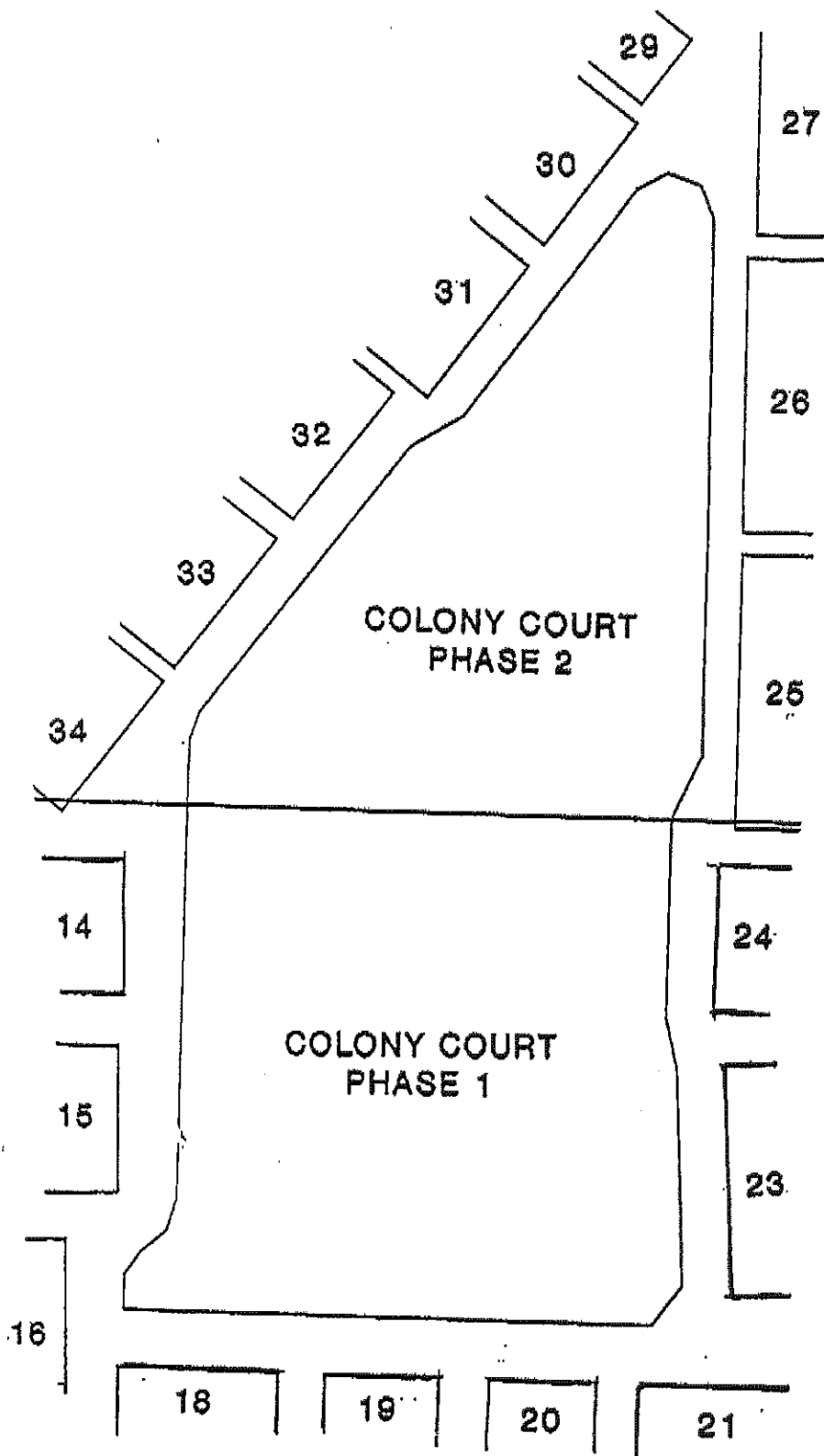
### LEGAL DESCRIPTION

A replat of "The Independence Club at Sunrise Lakes" as recorded in Plat Book 131 at Page 32 of the Public Records of Broward County, Florida, lying in Sections 13 and 24, Township 49 South, Range 40 East, Broward County, Florida and being more particularly described as follows:

BEGINNING at the Southeast corner of said plat of "The Independence Club at Sunrise Lakes"; Thence North  $01^{\circ}05'28''$  East, a distance of 775.96 feet to the point of curvature of a circular curve to the right; Thence Northeasterly along the arc of said curve having a radius of 300.00 feet and a central angle of  $43^{\circ}02'12''$ , a distance of 225.34 feet to the point of tangency (the last two (2) described courses being coincident with the westerly line of an 80.00 foot road right-of-way known as N.W. 120th Way); Thence North  $45^{\circ}52'20''$  West along a line radial to the last described curve, a distance of 254.77 feet to a point lying on the arc of a circular curve to the left at which the radius bears South  $47^{\circ}08'39''$  East; Thence Southwesterly along the arc of said curve having a radius of 11,299.16 feet and a central angle of  $05^{\circ}35'35''$ , a distance of 1,102.99 feet to the point of reverse curvature of a circular curve to the left; Thence Southwesterly along the arc of said curve having a radius of 11,619.16 feet and a central angle of  $00^{\circ}50'54''$ , a distance of 172.01 feet (the last two (2) described courses being coincident with the easterly right-of-way line of the Sawgrass Expressway); Thence South  $51^{\circ}55'40''$  East along a non-radial line, a distance of 264.68 feet; Thence South  $88^{\circ}54'32''$  East, a distance of 690.00 feet to the POINT OF BEGINNING, (the last seven (7) described courses being coincident with the boundary of said plat of "The Independence Club at Sunrise Lakes").

Said lands situate in the City of Sunrise, Broward County, Florida and containing 14.798 Acres, more or less.





BK 8871 PC0299

EXHIBIT "C"

RECORDED IN THE OFFICIAL RECORDS BOOK  
OF BROWARD COUNTY, FLORIDA  
COUNTY ADMINISTRATOR

## MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT, made and entered into this day of \_\_\_\_\_, 1991, by and between Colony Courts Two Homeowner Association, Inc. not-for-profit Florida corporation, hereinafter called "Association," and Gold Coast Property Management, Inc., hereinafter called "AGENT."

### WITNESSETH;

WHEREAS, ASSOCIATION is administering and operating units located in Sunrise, Florida c/o Gold Coast Property Management, at 10113 Sunset Strip, Sunrise, Florida 33322 and is desirous of employing professional management to provide consultation, advice, guidance and management of the Association Property, and

WHEREAS, AGENT is active in the management field and is presently operating a management company for the management of HOMEOWNERS' Associations and has available to it management and service personnel experienced in operating projects of similar nature to Colony Courts and has qualified management personnel in its employ, and

WHEREAS, ASSOCIATION is desirous of employing AGENT to provide its said consultation, advice, guidance and management for ASSOCIATION, and AGENT is desirous of providing such consultation, advice, guidance and management for ASSOCIATION, all for compensation and upon the terms, conditions, and provisions herein after set forth. NOW, THEREFORE, for and in consideration of the promises and Ten (\$10.00) Dollars and other

good and valuable considerations paid by the parties hereto, each unto the other, receipt of which considerations is hereby acknowledged, and in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto do hereby warrant, covenant and agree as follows:

1. The ASSOCIATION does hereby employ and retain, and the AGENT hereby accepts such employment as the exclusive manager of Colony Courts. Beginning this \_\_\_\_th day of \_\_\_\_\_ 1991, and terminating upon 30 days written notice.

2. This Agreement may be canceled by notification of either Party with thirty (30) days written notice, with or without cause. Notwithstanding the foregoing, the Association may terminate this Agreement at any time upon notice in the event of fraud or misappropriation of Association funds. All obligations arising under this contract shall then be null and void.

3. The AGENT fully understands that the function of the ASSOCIATION is the maintenance, operation and management of the Property, and that the Association consists of 130 lots, in separate buildings, together with common elements appurtenant thereto.

The Agent agrees, notwithstanding the authority given to it in this Agreement, to confer fully and freely with the Board of Directors in the performance of their duties as herein set forth, and to attend membership or Board of Directors' meetings when requested to-do so by the Board of Directors.

4. The ASSOCIATION shall furnish the AGENT with a complete set of the plans and specifications of the property, if

in the possession of the Association, and the AGENT agrees that it will immediately make a complete inspection of the premises to inform themselves of the layout, construction, location, character, plan and operation of the lighting, of the Association.

5. AGENT shall be responsible for the maintenance and operation of ASSOCIATION, including the performance of duties and responsibilities placed upon the ASSOCIATION by the By-Laws of the Association, other than those reserved specifically to the Board of Directors of the ASSOCIATION, and shall cause repairs to be made and shall perform such other functions and services as are required to maintain and operate ASSOCIATION in a first-class manner. Said AGENT, by the foregoing undertakings, shall provide consultation, advice, guidance and managerial services to the ASSOCIATION and, without limiting the generality of the foregoing, shall comply with the following covenants and to accomplish the following undertakings:

A. To perform management, financial and all administrative duties as more particularly set forth on Exhibit A attached hereto and made a part hereof.

B. To maintain a businesslike relationship with the unit owners in Colony Courts whose requests for service shall be received and recorded in proper order so that said requests may be responded to and acted upon expeditiously. Any serious complaint should be investigated by the AGENT and reported to the Board of Directors for further action.

C. To work with the Treasurer or other designated person of

the ASSOCIATION in carrying out duties related to the collection of all assessments due from the members of the ASSOCIATION and the collection of all other monies which may be due to the ASSOCIATION from any person, entity or corporation. The ASSOCIATION authorizes the AGENT hereunder to request demand and receive all monies due or to become due to the ASSOCIATION and to take such action in the name of the ASSOCIATION as may be determined by the Board of Directors to be necessary to collect delinquent bills from the members. It is understood, however, that prior to the time that any legal action is actually instituted in any court of proper competent jurisdiction specific approval for such suit shall be given in writing by the Board of Directors. The Association reserves the right to designate legal counsel to be used in any such action. As a standard practice, AGENT shall furnish the Board of Directors with an itemized list of all delinquent accounts immediately after the same shall become due and payable; AGENT shall also furnish the Board of Directors with an aged delinquency list on the 20th day of each month.

D. To promptly investigate and make a full written report as to all accidents or claims for damage relating to the ownership, operation and maintenance of ASSOCIATION, including any damage or destruction to common property and the estimated cost of repair, and shall cooperate and make any and all repairs required of the Association by any insurance company in connection therewith.

E. To, with the prior approval of the Board of Directors, make service contracts, contracts for furnishing

of water, electricity, gas, telephone, exterminator service and such other services as said AGENT shall deem to be in the best interest of the ASSOCIATION and necessary in order to administer ASSOCIATION in a first-class manner, and said AGENT shall place such order for such equipment, tools, materials and supplies as are necessary, in the opinion of said AGENT, to properly maintain association property, so long as such contracts or purchase order does not exceed \$200 as more particularly set forth in this paragraph. The only obligation of the Agent as to vermin and termite extermination is to hire a duly licensed contractor for such purposes, at the Association expense all of the foregoing as authorized by the Board of Directors. The Agent will also supervise all maintenance personnel on its staff at the property as well as all contractors. If services are to be changed comparable bids will be presented to the Association for its consideration and approval. All such contracts and orders shall be made in the name of the ASSOCIATION, and each order shall be subject to the prior written approval of the Association.

In causing its appurtenances and grounds to be maintained according to the standards acceptable to ASSOCIATION, including exterior cleaning, painting, decorating, plumbing, carpentry and such other normal maintenance and repair work as may be necessary, the said AGENT shall not place any single order or execute any single contract obligation for the ASSOCIATION for payment in excess of \$200.00 to any one party, unless such order or contract is specifically authorized by the Board of Directors of ASSOCIATION in writing, provided, however, that the foregoing

requirement for prior approval of the Board of Directors of ASSOCIATION shall not be necessary in the event emergencies whereunder it is necessary for the AGENT to take action to protect and preserve property of the ASSOCIATION which may be in immediate immediate danger, or to protect the life of any members of ASSOCIATION.

F. Work in connection with an accountant or an attorney as may be selected by the Board of Directors and, when necessary, to prepare and file all forms, reports, returns or other items as may be requested by law in connection with any insurance, tax or other items now in effect or hereinafter imposed by any Federal, State or Local government. All forms filed will be copied to the Board and its Legal Counsel.

G. To assist in maintaining a comprehensive system of office records, books and accounts in a manner satisfactory to the ASSOCIATION, and in accordance with the Articles and By-Laws of the Association, which records shall be subject to an examination by the Board of Directors and owners or their authorized representatives or prospective purchasers at all reasonable hours. The Minute Books, however, shall be in the custody of the Association's secretary at all time. The Secretary of the Association shall be legally responsible for the preparation of the notices and minutes; however, AGENT shall be responsible for assisting the secretary in such preparation, communication and storage of the required notices and minutes. As a standard practice, the AGENT shall render to the Board of Directors, not later than the 10th day of each succeeding month, a statement of receipts and disbursements as of the end of

the preceding month. The AGENT shall, at least ninety (90) days prior to the beginning of a new fiscal year of the ASSOCIATION, present to the Board of Directors a proposed operating budget setting forth an itemized statement of the anticipated receipts and disbursements for the new fiscal year, based on the then current schedule of monthly assessments and taking into account the general physical conditions of the property. The proposed budgets shall also specify each unit owner's proportionate share therein. The budgets, as finally approved by the Board of Directors, or, where appropriate, the members of the ASSOCIATION, shall constitute a major control under which the management AGENT shall operate and there shall be no substantial variances therefrom except as specifically authorized by the Board of Directors. The Agent shall collect all maintenance payments and payments for special assessments as they come due. Said payments shall be made payable to ASSOCIATION and shall be deposited into the special accounts referred to below. The Agent shall render a monthly statement to the Associations of payments and delinquencies. In the event of termination, AGENT agrees not to retain any records prepared or accumulated for, by or on behalf of ASSOCIATION. AGENT acknowledges and agrees that it shall not have any rights to said records and that such are the property of ASSOCIATION. In the event of termination, AGENT agrees to deliver all records to the ASSOCIATION or any party which it appoints to receive such records in an organized fashion within seven (7) days of demand thereof.

H. Subject to the prior approval of the Board of Directors,



to cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the Association, and cause to be discharged all persons unnecessary or undesirable. The Management Company will screen employees and make a reasonable effort to hire people of good character. AGENT shall be solely responsible for the salaries of all of its employees for those obligations described in this Agreement.

I. To assist the Board of Directors in causing to be placed or kept in force all insurance required or permitted in the Declaration of Homeowner; to act as Agent for the Association, each unit owner, and for each owner of any other insured interest; to assist in adjusting all claims arising under said insurance policies; to assist the Board of Directors in bringing suit thereon and delivering releases upon payment of claims; to receive on behalf of the insured parties, all insurance proceeds, subject to the provisions of the Declaration.

J. The Agent shall assign a Property Manager, (which Property Manager shall be subject to the approval of the Board of Directors for ASSOCIATION), to supervise all work on the property as part of its management fee. AGENT shall maintain a 365 day, 24 hour emergency telephone service to insure prompt response to any emergency situation. In accordance with Florida Statutes, this Agreement must state that the minimum number of personnel to be employed by AGENT for providing its services to ASSOCIATION shall be one (1).

K. The Association shall have the right to tie into the accounts receivable data bank at no additional fee. Hardware for

the Association to obtain this link shall be the obligation of the Association.

L. The Association shall not interfere with, nor permit, allow or cause any of its Officers, Directors or members to interfere with the Agent in the performance of its duties or the exercise of any of its powers hereunder.

M. The Association and the Agent shall work with mutual cognizance on all matters. The Agent shall work in a subordinate manner with the Association.

N. AGENT shall, from the funds collected and deposited into special accounts maintained for the handling of funds of the ASSOCIATIONS, and which funds shall not be co-mingled with the funds of the AGENT or any other party, cause to be disbursed regularly and punctually.

(1) Cost and expense of administering ASSOCIATION;

(2) Fee to AGENT;

(3) The balance of funds remaining after the above disbursements shall be disbursed or transferred from time to time as directed by the Board of Directors of ASSOCIATION in writing. Any bank accounts which may be maintained by AGENT for ASSOCIATION shall be maintained in a bank whose deposits are insured by the F.D.I.C. and shall be placed in accounts styled so as to indicate the custodial nature thereof;

4. Everything done by AGENT under the provisions of the Management Agreement shall be done as AGENT for the ASSOCIATION, and all obligations or expenses incurred in the performances of AGENT'S duties and undertakings shall be for the account of ASSOCIATION. AGENT shall not be required to advance

any monies or to pay any sum, except out of funds held or provided as aforesaid by ASSOCIATION or from its members or tenants, nor shall the AGENT be obliged to incur any liability or obligation on account of the ASSOCIATION without assurance that the necessary funds for the discharge thereof will be provided. Since Agent will be acting at all times for and on behalf of the Association, it is understood and agreed that the public liability insurance carried and maintained by the Association shall be extended to and shall cover Agent at the expense of the Association.

5. This Management Agreement shall be binding upon ASSOCIATION AND AGENT, their respective successors, legal representatives and assigns.

6. ASSOCIATION shall pay or reimburse AGENT for all costs which may be incurred by AGENT in providing services, materials and supplies to the ASSOCIATION pursuant to the limitations discussed herein and including all costs of AGENT directly upon the performance of matters required by the terms of this Agreement, except that the ASSOCIATION shall not be required to reimburse AGENT for Management salaries of officers and employees of AGENT and general overhead of AGENT, as said underlined items and services are included within the fixed fee provided. Included within the obligation of the ASSOCIATION to pay cost incurred by AGENT in the performance of its obligations, duties and undertakings in favor of the ASSOCIATION, without limiting the generality of the foregoing, the ASSOCIATION shall pay to the AGENT or reimburse AGENT for all costs incurred in

collecting delinquent assessments from owners of individual cooperative parcels and other similar costs pertaining to the operation and maintenance of ASSOCIATIONS. In the event that AGENT is to be reimbursed for all such costs monthly, said AGENT to submit a statement of such costs on or about the first of each month during the term hereof, and which said statement shall be paid on or about the 10th of each month in which such statement is rendered.

7. The Management fee for the above-noted services will be Six Dollars and Twenty Cents (\$6.20) for each titled unit. Payments shall be on the fifth of each month for that month.

8. ASSOCIATION shall appoint a member of the Board of Directors as liaison between ASSOCIATION AND AGENT. AGENT may rely on the approval of this individual.

9. It is acknowledged that the ASSOCIATION is run by its Board of Directors and that the management AGENT is to report to the liaison with, and take directives from the Board of Directors as a whole rather than from any individual member of the Board of Directors of the Association. In the event of a dispute as to the wishes of the Board of Directors, the AGENT is entitled to receive copies of the Minutes of the Board meetings, either regularly held or special meetings, as the case may be, or such other proof that the action to be taken represents the desires of a majority of the Board of Directors pursuant to their powers and responsibilities.

10. This Contract is valid only to the extent that the Board of Directors of the ASSOCIATION are authorized to delegate specifically its duties and responsibilities pursuant to

the applicable documents and the laws of the State of Florida.

11. The AGENT agrees to read and familiarize itself with the ASSOCIATION Documents.

12. The laws of the State of Florida will be controlling with respect to this Agreement and its provisions, and venue is said to lie in Broward County, Florida.

13. If any provision or portion of this Contract is found or ruled to be invalid, the remaining portions shall be otherwise not affected.

14. A proposal of services will be an addendum to the contract and is attached.

15. AGENT shall compute and pay on behalf of the ASSOCIATION, from ASSOCIATION funds, employee taxes and shall prepare and file, or cause to be prepared and filed, the necessary forms for withholding taxes, social security taxes, unemployment insurance and all other taxes relating to the employment of on-site personnel, if any.

16. AGENT hereby represents and warrants unto the ASSOCIATION as follows:

(a) AGENT is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida;

(b) the execution, delivery and performance of this Agreement has been duly and validly authorized by all required corporate action of AGENT;

(c) this Agreement constitutes the valid and binding obligation of AGENT, enforceable against AGENT according to its

terms;

(d) the execution, delivery and performance of this Agreement does not violate any contract, indenture or judicial or administrative order to which AGENT is a party or by which it is bound;

(e) AGENT is not the subject of any voluntary or involuntary bankruptcy proceeding and is not aware of any threatened voluntary or involuntary bankruptcy proceeding; and

(f) Agent is the holder of all licenses, if any, required by applicable municipal, county or state law to discharge its obligations hereunder and shall maintain such throughout the term of this contract. All persons servicing this account except clerical employees shall be licensed property managers in the State of Florida.

17. AGENT shall not accept direction or instructions with regard to management of the Project from any individual, except the President of the ASSOCIATION, or the Vice President or the individual appointed by the Board to act as liaison between Agent and Association.

18. AGENT agrees not to collect from or charge the ASSOCIATION any undisclosed fee, rebate or discount. Should any such fee, rebate or discount be received by AGENT, the same shall be credited to the account of the ASSOCIATION.

19. AGENT shall not be permitted to render other services to individual owners, including, but not limited to, service in the sale or leasing of units, maid services, interior maintenance or any other services, and AGENT may not receive customary compensation from owners.

20. Nothing contained in this Agreement shall constitute, or be considered to be or to create, a partnership or joint venture between AGENT and the ASSOCIATION. The ASSOCIATION has no financial or ownership interest in the AGENT. Wherever herein the singular number is used, the same shall include the plural where appropriate, and the words of any gender shall include each other gender where appropriate. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement provision had never been contained herein.

21. Any notice required or permitted hereunder shall be made in writing and shall be deemed to be delivered, actually received or not, when deposited in the United States mail, certified mail, return receipt requested, postage prepaid, addressed to the party to whom directed, at the address of such party set forth below. Either party may change the address for notice hereunder by notice to the other party in accordance with the terms hereof.

AGENT: GOLD COAST PROPERTY MANAGEMENT  
10113 Sunset Strip  
Sunrise, FL 33322

Attention: \_\_\_\_\_

ASSOCIATION: Colony Courts Two Homeowners Association  
Sunrise, Florida 33322

Attention: \_\_\_\_\_

22. AGENT shall take such action as may be necessary to comply promptly with any and all orders or requirements affecting ASSOCIATION placed thereon by any Federal, State, County or Municipal authority having jurisdiction thereof; provided, however, except in the event of emergencies, that said AGENT shall not take any such action without notifying the Board of Directors of ASSOCIATION if time so permits, and AGENT shall not take any action as long as the ASSOCIATION is contesting, or has affirmed its intention to protest any such order or requirement. Notwithstanding the foregoing, AGENT agrees to remedy any violation of law, ordinance, rule, regulation or order of which AGENT becomes aware; provided, however, that if such compliance requires the expenditure of more than Two Hundred Dollars (\$200.00), AGENT shall first obtain prior written approval of the Board. AGENT shall notify the ASSOCIATION in writing within seventy-two (72) hours from the time of receipt of any order, complaint, warning, notice or summons affecting the ASSOCIATION/AGENT or the Project that has been issued by any Federal, State, County or Municipal authority.

23. This Agreement may not be assigned by AGENT without the prior written consent of the ASSOCIATION. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of AGENT and the ASSOCIATION.

24. This Agreement constitutes the sole and only Agreement of the parties hereto and supersedes any prior



understandings or written or oral agreements between the parties respecting the subject matter herein.

IN WITNESS WHEREOF, ASSOCIATION and AGENT have caused these presents to be executed in their respective names by their undersigned officers, authorized to execute instruments for and in their behalf, and have caused their respective corporate seals to be hereto affixed at Sunrise, Florida the day and year first written.

Signed, sealed and delivered  
in the presence of:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Colony Courts Two Homeowners  
Association, Inc.

By: \_\_\_\_\_

GOLD COAST PROPERTY  
MANAGEMENT

By: \_\_\_\_\_

COLONY COURTS HOMEOWNERS ASSOCIATION, INC.  
(PHASE II)  
ESTIMATED OPERATING BUDGET

FOR THE YEAR ENDING DECEMBER 31, 1993

BASED ON 140 LOTS

	Monthly	Annually
<b>Administrative Expenses:</b>		
Management Fees *	\$ 527.00	\$ 6,324.00
Bookkeeping Fees	279.00	3,348.00
Legal and Professional Fees	N/A	N/A
Liability and Property Insurance *	1,500.00	18,000.00
Income Tax Preparation	N/A	N/A
Annual Corporate Report	N/A	N/A
Postage	N/A	N/A
<b>Total Administrative Expenses</b>	<b>2,306.00</b>	<b>\$ 27,672.00</b>
<b>Operating Expenses:</b>		
Pool Maintenance	275.00	3,300.00
Pool Repairs	75.00	900.00
Electric & Gas (Interior road lights/ Sprinkler pump and pool)	1,012.00	12,144.00
Water and Sewer	212.00	2,544.00
Trash Removal	1,250.00	15,000.00
Fertilizer and weed spray	354.00	4,248.00
Lawn Maintenance	2,456.00	29,472.00
Repairs and Replacements	450.00	5,400.00
Irrigation and pump maintenance	200.00	2,400.00
Road Maintenance and repairs	N/A	N/A
Rent for condominium rec/common	N/A	N/A
Taxes upon association property	N/A	N/A
Taxes upon leased areas	N/A	N/A
Security provisions	N/A	N/A
Operating capital expense	N/A	N/A
Landscape replacement	420.00	5,040.00
Lake maintenance	80.00	960.00
Janitorial	400.00	4,800.00
<b>Total Operating Expenses</b>	<b>7,184.00</b>	<b>86,208.00</b>
<b>Total Expenses</b>	<b>\$ 9,490.00</b>	<b>\$113,880.00</b>

(continued on following page)

COLONY COURTS HOMEOWNERS ASSOCIATION, INC.  
(PHASE II)  
ESTIMATED OPERATING BUDGET

FOR THE YEAR ENDING DECEMBER 31, 1993  
(continued)

		<u>Monthly</u>	<u>Annually</u>
Reserve for Capital Expenditures:			
Pavement Resurfacing			
Estimated balance 1/92	\$ --	\$ 160.00	\$ 1,920.00
Est. replacement cost	9,600.00		
Est. life	5 years		
Est. remaining life	5 years		
Total replacement cost	\$ 9,600.00		
Total Reserves		<u>160.00</u>	<u>1,920.00</u>
Total Expenses Including Reserves		<u>\$ 9,650.00</u>	<u>\$115,800.00</u>
		=====	=====
Cost Per Unit (Townhouse)		\$ 70.04	\$ 840.48
		=====	=====
Cost Per Unit (Condominium)		\$ 27.23	\$ 326.76
		=====	=====

\* Insurance and management fee line items in the Homeowner's Association budget are charged to the townhomes only (130 lots). Condominium apartments (10 lots consisting of 20 units) are charged for insurance and management in their condominium budgets.