

Return to Len Wilder, Esq.
Bakalar & Associates P.A.
12472 W. Atlantic Blvd.
Coral Springs, FL 33071

CORPORATE RESOLUTION/CERTIFICATE OF AMENDMENT
Amends OR 10036 Page 269 (Broward)

WHEREAS VILLAS OF CAPRI AT SPRINGTREE LAKES ("Association") is a homeowner association governed pursuant to its Declaration of Protective Covenants ("Declaration") and Florida law; and

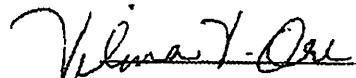
WHEREAS the Association consists of forty-nine (49) homes; and

WHEREAS, the Board of Directors, at a duly called meeting, proposed the attached amendments to Article III, Article IV, Article V and Article VI of the Declaration; and


WHEREAS, pursuant to the written consent procedures set forth in Chapter 617, Fla. Stat., a majority of owners voted in favor of amending the Declaration and thus passed the aforementioned amendments which are collectively attached hereto as Exhibit A; therefore

LET IT BE RESOLVED that upon the recording of this resolution and the attached amendment(s), said amendment(s) shall take effect and bind all owners, and their heirs, successors and assigns.

By: VILLAS OF CAPRI HOA, INC.

 President

Print Name: Vilma V. Orr

 Secretary

Print Name: Rita Occhionero

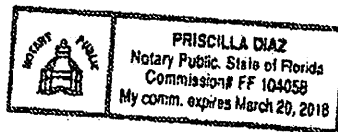
Date: 1/25/16

State of Florida
County of Broward

I HEREBY CERTIFY that on this day before me, an officer duly qualified to take acknowledgments, personally appeared Anna Oy president and Priscilla Diaz secretary of Villas of Capri HOA, Inc. who are personally known to me or who produced Driver's License and who executed the foregoing instrument and did not take an oath.

Priscilla Diaz
Notary Public

My Commission Expires



VILLAS OF CAPRI AT SPRINGTREE LAKE

PROPOSED AMENDMENT TO ARTICLE III.B

Additions are Underlined
Deletions are ~~Stricken~~

Article III Covenants, Restrictions and Easements

B. Land Use Covenants

In order to preserve the values and amenities of Villas of Capri, the following provisions shall be applicable to Villas of Capri:

u. No Commercial Use: No residence, or any portion of the common areas within the Association, may used to operate or maintain a business or commercial entity. Notwithstanding the foregoing, nothing herein shall prevent an owner or resident from keeping a home office in their residence provided it does not increase vehicular or foot traffic in the community or otherwise cause a nuisance as defined herein.

Exhibit: A

VILLAS OF CAPRI AT SPRINGTREE LAKES

PROPOSED AMENDMENT TO ARTICLE IV.D.1 - 3

Additions are underlined
Deletions are ~~stricken~~

D. Maintenance of Common Structural Elements

The maintenance and repair of the Common Structural Elements shall be performed as hereafter provided:

1. Authorized Persons for Repair: Repairs, replacement, service or maintenance to be performed on any of the Common Structural Elements shall be made only by the owner or owners that are effected by the need to repair, replace, service or maintain said Common Structural Element. The Lot lines, as the same are projected vertically, shall define and demarcate those parts of the Common Structural Elements contained within each Residence and owned by the respective owners thereof. ~~Association or its agents or Any such work shall only be done by duly licensed Florida contractor, experts in the repairing, servicing or maintaining of such Common Structural Elements, except that with the written consent of all the owners of the Residences in a Cluster Building "do-it-yourself" repairs may be effected to the Common Structural Elements of such Cluster Building by the owner of a Residence.~~
2. Responsibility of Repairs: The costs, expenses, fees and charges arising out of the maintenance, service, replacement and repair of the Common Structural Elements contained in a Residence (exclusive of the ~~exterior surface of a Cluster Building~~) shall be chargeable to and paid by ~~the~~ the responsibility of the owner(s) of the Residence receiving such maintenance service, replacement and/or repair, except in the case where the maintenance, servicing or repairs were brought about by the act or omission of the owner of another Residence, his family, leasees, guests and invitees, in which even such other party shall be responsible for the costs of repair, service or maintenance. The Lot lines, as the same are projected vertically, shall define and demarcate those parts of the Common Structural Elements contained within each Residence and owned by the respective owners thereof. If a dispute arises between owners of a Residence in a Cluster Building concerning the need for repairs, service or maintenance or the allocation of charges between such

~~owners, the matters of dispute shall be submitted to the Board for arbitration pursuant to the rules and regulations adopted or thereupon to be adopted by the Board for such purpose.~~

3. Maintenance Pursuant to the Structural Cross Easement:

In the event an owner needs to maintain, repair, replace or service a Common Structural Element that will require work to be done to a portion of another owner's residence, it shall be incumbent upon said owners to cooperate with one another to ensure the necessary work is done. In the event there is dispute between such owners concerning the necessity of the work and cost, such dispute should be resolved privately between said owners. In the event such resolution is not achieved, the Board of Directors may make such determination as further set forth in Article V herein or undertake the work itself as set forth in Article IV, section 4.

~~Any owner of a Residence in a Cluster Building may authorize the repair, service or maintenance be performed to any of the Common Structural Elements contained within the other Residences in the Cluster Building (such repairs, service or maintenance being then paid for by the owners of the Residences receiving the same) on the following conditions:~~

~~(a) emergency repairs may be effected or authorized at any time without the consent of the owner of the Residence containing the Common Structural Elements requiring the repair provided that an officer or Director of the Association determines that such emergency repairs are required; and~~

~~(b) non-emergency repairs on twenty (20) days written notice may be effected or authorized at any time and without the consent of the owner of the Residence containing the Common Structural Elements in question if the Association or Committee determines upon petition of another owner of the Residence in the Cluster Building that such repairs or servicing are warranted and necessary.~~

4. Reserve Maintenance Powers: Notwithstanding any provision set forth herein, in the event an owner fails to repair, replace maintain and/or service any portion of his residence (or otherwise interferes with another owner's rights to undertake such required work) the

Association shall have the right, but not the responsibility, upon providing ten (10) days written notice to the effected owners, to undertake the responsibility for such work if it is determined that said work needs to be done for the health, welfare and safety of the Association and its residents. The cost of said work shall be deemed a general assessment that may be assessed against the applicable owner(s) and collected in the manner set forth in the Declaration and Chapter 720, as may be amended from time to time. The Association further reserves the right, in the event of an emergency to undertake such work without the need to provide the notice otherwise required herein. Such right is in addition to other enforcement rights available to the Association as outlined in this Declaration and Chapter 720, et seq., as amended from time to time.

PROPOSED AMENDMENT TO ARTICLE V. A - B

ARTICLE V

MAINTENANCE AND REPAIRS OF PROPERTY

The maintenance and repair of the Property is the responsibility of Homeowners and the Association as more particularly described below:

A. Responsibilities of Homeowners

1. **Duty to Maintain and Repair Residences:** Each Homeowner shall maintain in good condition and repair at his expense all portions of his Residence including the Common Structural Elements ~~but exclusive of the exterior surfaces of his Cluster Building.~~ The Homeowners shall, however, also be responsible to maintain, repair and replace window panes and any screening and for his driveway and any fence located upon his Lot. Each Homeowner shall perform promptly all such maintenance and repairs, and each such owner shall be liable for any damages that arise due to his failure to perform such maintenance and repairs. Each Residence shall be maintained, repaired and reconstructed (if necessary) in accordance with the final building plans and specifications utilized by the Developer, copies of which shall be on file in the office of the Association and where changes or alterations approved by the Association (where required) have been made, the Residence shall be maintained, repaired or reconstructed in accordance therewith.

2. **Responsibility for Utilities:** Each Homeowner shall, at his expense, repair, maintain and replace as necessary all lines, piping, wiring, ducts, conduits, appliances and other facilities for the furnishing of utility services solely to his Residence. In the event such facilities requiring repair or

replacement service more than one Residence, then each Residence serviced shall pay an equal share of the costs of same.

3. Disputes as to Payment or Work: In the event one of the Homeowners in a Cluster Building refuses to contribute towards the cost of repairing or maintaining his Cluster Building and the other Homeowner believes the repair or maintenance is such so as to benefit both Homeowners, or in the event of a dispute as to who should perform the work, either such Homeowner may submit the facts to the Association who shall consider the questions at a meeting of its Board or a committee designated for such purposes, which meeting shall be noticed to all affected Homeowners. The determination by the Board or its committee as to the appropriateness of the repair or maintenance, and the proper allocation of the expenses thereof or who should do the work as the case may be, shall be final and the Board shall have the authority to assess a Homeowner for the costs of such repair or maintenance should it fail to contribute to the cost of same within fifteen (15) days from the determination by the Association or its committee.

4. Any alteration to the exterior of any Residence is subject to the approval of the Association as set forth in Article VII of the Declaration.

B. Responsibilities of the Association

1. The Association shall be responsible for the maintenance, repair and reconstruction of the Open Areas as well as for the repainting of the exterior of the Cluster Building and for the repair and replacement of the roofs.

VILLAS OF CAPRI AT SPRINGTREE LAKE

PROPOSED AMENDMENT TO CREATE ARTICLE VI.C.6

Additions are Underlined
Deletions are ~~Stricken~~

Article VI
Association Expenses

C. Allocation of Association Expenses

5. Late Fees. In the event any homeowner shall fail to pay any assessment(s) or installment thereof charged to them within ten (10) days of its due date, the Association shall charge a late fee of \$25.00 for each such assessment. The late fee(s) shall further be a charge and continuing lien against each such lot against which such assessment(s) are made.

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VILLAS OF CAPRI HOMEOWNERS ASSOCIATION, INC.
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AGREEMENT FOR PURCHASE AND SALE

ESCROW RIDER

VILLAS OF CAPRI RECEIPT AND ACKNOWLEDGMENT

Dear Homeowner:

We are pleased to provide you with this booklet containing the documents relating to THE VILLAS OF CAPRI AT SPRINGTREE LAKES ("Villas of Capri"). We hope that this introductory letter is helpful to you in explaining the concept of ownership and the purpose of the various documents contained in this booklet.

The Villas of Capri is a planned residential community located in Sunrise, Florida consisting of lots and attached villas ("Residences"), private roadways, and other recreation and various beautification areas (the "Open Areas"). A purchaser ("Homeowner") acquires fee simple title to his Residence together with the right to use the Open Areas. Furthermore, each Homeowner automatically becomes a member of THE VILLAS OF CAPRI HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit (the "Association") formed for the operation and administration of The Villas of Capri.

The following is a brief summary of the documents contained in this booklet. We urge you to read the documents, as many important provisions cannot be discussed in this brief summary.

DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS

The Declaration of Protective Covenants and Restrictions is the document whereby CREATIVE DEVELOPMENT CORP. OF BROWARD (the "Developer"), sets forth the Plan for Development for the 8.98+ acre parcel known as The Villas of Capri at Springtree Lakes and establishes important restrictions, easements and lien rights with respect to the property. The Plan for Development is shown graphically on the Property Plan attached to the Declaration. The Declaration establishes the location of and private use restrictions for the Open Areas which are shown on the Property Plan and sets forth restrictions concerning the appearance of the homes to be constructed, establishing certain architectural controls. Easements are created over and upon the Open Areas to assure access to Open Areas by proper utility and governmental services and over the Residences but also to assure maintenance of the common elements of the attached Residences ("Common Structural Elements"). Easements have also been given by separate instrument to the City of Sunrise and the Association has covenanted to maintain the median strip in Northwest 44th Street as an Open Area. Lien rights in favor of the Association and against the individual Residences are established in the Declaration to assure collection of funds for the proper maintenance of the Open Areas and the Common Structural Elements (the "Association Expenses") and the Association is empowered to enforce these rights in the event assessments are not paid. These expenses include real estate taxes for the Open Areas, liability insurance, utility charges, maintenance, repairs and other expenditures.

ARTICLES OF INCORPORATION

The Villas of Capri Homeowners Association, Inc. is charged with the responsibility of operating, maintaining, managing and administering The Villas of Capri in accordance with the Declaration of Protective Covenants and Restrictions and other Villas of Capri documents. The Association shall maintain the Open Areas in accordance with the provisions of the Declaration which calls for the conveyance of this property by the Developer to the Association upon the "Turnover Date". Accordingly, the Articles of Incorporation set forth the powers and purposes of the Association as well as the membership rights of the Homeowners. As

with most corporations, the Association shall operate through its officers and directors who initially will be appointed by the Developer. The Articles provide for the manner of "turning over" control of the Board of Directors to the purchasers which shall occur no later than December 31, 1985.

BY-LAWS

The By-Laws of The Villas of Capri Homeowners Association, Inc. detail the day-to-day working features of The Villas of Capri and the Association. For example, the By-Laws describe how and when members' meetings are held and the powers and duties of the members and Board of Directors. The By-Laws also detail the duties of the officers and certain provisions for the accounting records and fiscal management of the Association.

PROPOSED INITIAL ASSOCIATION EXPENSE BUDGET

The amounts required for Association Expenses will be fixed and assessed from time to time by the Board of Directors of the Association. Each Residence is to pay the same amount.

The Board of Directors shall adopt a budget for each year. The Developer has prepared the initial operating budget which it believes is reliable. A copy is included in this booklet. However, because actual expenditures may differ from estimated expenditures and because of possible changes in the future expenses and because expenses during any fiscal period will be effected by the extent of the development actually completed, the proposed initial operating budget is not intended nor should it be considered as a representation, guarantee or warranty of any kind whatsoever, including, without limitation, that the actual expenses for any period of operation may not vary from the amounts estimated or that the Association will not incur additional expenses or other sums not reflected in the projected operating budget.

The Developer may extend a "guarantee" as to the assessments in your contract for purchase and sale.

NOTICE AND RECEIPT

We have included in the booklet a copy of the Notice to Homebuyer concerning the escrowing of deposit monies as required under the local Escrow Law and a copy of the Receipt and Acknowledgement which we ask that you sign to acknowledge that you have received a copy of this booklet.

Please read through the documents carefully. We hope you will agree that they will be an aide in assuring that The Villas of Capri will be a homogenous and successful community.

Very truly yours,

CREATIVE DEVELOPMENT CORP. OF BROWARD

VILLAS OF CAPRI AT SPRINGTREE LAKES

DECLARATION OF PROTECTIVE COVENANTS

AND RESTRICTIONS

THIS DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS made this _____ day of _____, 19__ by CREATIVE DEVELOPMENT CORP. OF BROWARD, a Florida corporation.

W I T N E S S E T H:

WHEREAS, Creative Development Corp. of Broward (hereinafter referred to as "Developer") is the owner of fee simple title to Tract 38 of Springtree Lakes, according to the Plat thereof, recorded in Plat Book 79, Page 12 of the Public Records of Broward County, Florida (hereinafter referred to as the "Property"); and

WHEREAS, Developer intends to develop the Property as a planned residential community known as "Villas of Capri at Springtree Lakes" (hereinafter referred to as the "Villas of Capri"); and

WHEREAS, in order to preserve the values and amenities of Villas of Capri the Developer desires to subject the Property to certain covenants, restrictions, easements, reservations, regulations, burdens and liens and has created a corporation not-for-profit known as Villas of Capri Home-owners Association, Inc. to administer Villas of Capri and to own certain portions thereof in the manner and to the extent hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the Developer hereby declares that the Property shall be owned, held, used, transferred, sold, conveyed and occupied subject to the provisions as are hereinafter set forth.

ARTICLE I

DEFINITIONS

The following terms when used in this "Declaration" shall have the meanings herein set forth:

- A. "Developer" means Creative Development Corp. of Broward, a Florida corporation, its successors or assigns.
- B. "Villas of Capri" means the planned residential community being developed by Developer upon the Property.
- C. "Property" means the parcel of land described above and includes all improvements now or hereafter located thereon.
- D. "Declaration" means this Declaration of Protective Covenants and Restrictions and any "Supplements" and amendments hereto recorded amongst the Public Records of Broward County, Florida.
- E. "Open Area" means those portions of the Property described in Article III, paragraph A.2 herein, and further described on Exhibit "A", as hereinafter defined.
- F. "Residential Area" means those portions of the Property committed to this Declaration for residential use as described in Article II of this Declaration.
- G. "Lot" means a parcel of land within the Residential Area which the Developer proposes to convey in fee simple to a "Homeowner", and all improvements now or hereafter located thereon.
- H. "Residence" means a residential dwelling unit now or hereafter located upon a Lot. A Residence may be free standing or contained in a building (the "Cluster Building") constructed with two (2) or more residential units attached and connected by a common roof line and floor slab and other common structural features ("Common Structural Elements"). The issuance of a Certificate of Occupancy for a residential structure upon a Lot shall determine the point in time when that Residence shall exist.

I. "Homeowner" means the owner or owners of fee simple title to a Lot and includes the Developer for so long as the Developer is the owner of a Lot.

J. "Association" means Villas of Capri Homeowners Association, Inc., a Florida corporation not-for-profit, formed by Developer to operate, maintain and administer Villas of Capri in accordance with the "Villas of Capri Documents".

K. "Association Expenses" means the expenses of the Association in operating, maintaining and administering Villas of Capri.

L. "Institutional Mortgagee" means any lending institution or real estate investment trust having a first mortgage lien upon a Lot and includes any insurance company doing business in Florida and approved by the Commissioner of Insurance of the State of Florida or a Federal or State Savings and Building and Loan Association or bank doing business in the State of Florida and the office of the Comptroller, Division of Banking of the State of Florida or mortgage banking company licensed in the State of Florida, and any "Secondary Mortgage Market Institution" which includes the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institution(s) as the Developer shall hereafter approve in writing.

M. "Articles" and "By-Laws" mean the Articles of Incorporation and By-Laws, respectively, of the Association, copies of which are attached hereto as Exhibits C and D, respectively, and any amendments thereto.

N. "Villas of Capri Documents" means this Declaration, Articles and By-Laws.

O. "Board" means Board of Directors of the Association.

ARTICLE II

PLAN FOR DEVELOPMENT

A. Site Development Plan

Developer intends to develop Villas of Capri as a planned residential community in accordance with applicable zoning laws and ordinances. There is attached hereto as Exhibit "A" a Property Plan (the "Plan") which graphically depicts the plan for development. Should the Developer determine at any time that all or any portion of Villas of Capri shall not be committed to this Declaration, the Developer shall record a Supplement to this Declaration amongst the Public Records of Broward County, Florida to such affect, whereupon the property described therein shall no longer be part of Villas of Capri and may be developed and/or used by Developer for any purposes consistent with applicable zoning laws and regulations now or hereafter in effect. At such time as the Developer has sold and closed twenty-five (25) Residences, the Developer shall commence construction of the "Recreation Building" as hereinafter defined on Tract A as shown on the Plan. In accordance with the requirements of the City of Sunrise, the median strip of Northwest 44th Street as depicted on the Plan, shall be the obligation of the Association to maintain and repair.

B. Covenants and Restrictions

The Developer desires that Villas of Capri be a homogenous and attractive residential community and accordingly has set forth in this Declaration various covenants and restrictions to govern Villas of Capri and assessment powers to assure proper maintenance. The Developer intends to construct villas or other buildings containing more than one Residence ("Cluster Buildings") with "Common Structural Elements" and the Developer has also set forth special assessment powers to assure that Homeowners within a Cluster

Building shall make and pay for the maintenance, repair and replacement of the Common Structural Elements so as not to endanger the neighboring Residences. The Developer has also set aside Open Areas for the non-exclusive use and enjoyment of the Homeowners. The Association shall ultimately be conveyed title to the Open Areas to the extent and in the manner hereinafter set forth and shall assess Association Expenses and have lien rights over the Lots to assure the proper maintenance of the Open Areas. It shall also exercise architectural control over Villas of Capri, all as hereafter set forth in detail.

C. Appurtenant Rights

Building shall make and pay for the maintenance, repair and replacement of the Common Structural Elements so as not to endanger the neighboring Residences. The Developer has also set aside Open Areas for the non-exclusive use and enjoyment and obligations as a member of the Association as are hereinafter set forth. The Association shall ultimately be

conveyed title to the Open Areas to the extent and in the manner hereinafter set forth and shall assess Association Expenses and have lien rights over the Lots to assure the proper maintenance of the Open Areas. It shall also exercise architectural control over Villas of Capri, all as hereafter set forth in detail.

D. Method of Designation for Purposes of Conveyance

Lots shall be referred to and conveyed by reference to the block and lot designations given in the Plan (i.e., Lot 8 Block I).

ARTICLE III

set forth in detail.

COVENANTS, RESTRICTIONS AND EASEMENTS

C. Appurtenant Rights

In consideration for the keeping of the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter contained and in order to maintain the high standard of appearance and property values, Developer hereby declares and agrees that the Property (to the extent committed to the provisions of this Declaration in accordance with the Plan for Development set forth above) shall be used, transferred, demised, sold, conveyed and occupied subject to and in accordance with the terms of this Declaration, including covenants, restrictions and easements now about to be set forth:

COVENANTS, RESTRICTIONS AND EASEMENTS

C. Appurtenant Rights

In consideration for the keeping of the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter contained and in order to maintain the high standard of appearance and property values, Developer hereby declares and agrees that the Property (to the extent committed to the provisions of this Declaration in accordance with the Plan for Development set forth above) shall be used, transferred, demised, sold, conveyed and occupied subject to and in accordance with the terms of this Declaration, including covenants, restrictions and easements now about to be set forth:

A. Land Use Classifications

1. Open Area: Those portions of Villas of Capri designated on the Plan, all of which are described on Exhibit B (excluding the "Lake" and "Landscaped Area" as hereinafter defined) and attached hereto or hereafter designated and described in a Supplement as "Recreation Area", "Private Roadway", "Lake" or "Landscaped Area" and all improvements now or hereafter located thereon shall constitute the Open Area and shall be used and conveyed solely in accordance with the covenants for such areas now about to be set forth:

(a) Recreation Area: The Recreation Area and all improvements now or hereafter located therein, including a recreation building on Tract A (hereinafter referred to as the "Recreation Building"), shall be kept and maintained for recreational use and shall be used in a manner consistent with the facilities located thereon.

(b) Private Roadway: The Private Roadway shall be kept and maintained as a private roadway as a means of ingress and egress to and from the Property and publicly dedicated thoroughfares and for persons and vehicular traffic. Portions of the Private Roadway may from time to time be set aside for parking or Landscaped Areas by the Association provided this does not interfere with the flow of traffic. The Developer reserves the right to install street lights over some or all of the Private Roadway and to dedicate some or all of same to the public.

(c) Landscaped Areas: The Landscaped Areas and all improvements now or hereafter located thereon, including the median strip in Northwest 44th Street, shall be kept and maintained for beautification.

(d) Lake: Such portions of the Lake and any adjacent shoreline contiguous (but not part of) the Property shall be maintained as a body of water for recreational use, drainage and related uses, in an ecologically sound condition.

The Open Area is not for the use and enjoyment of the public but is expressly reserved for the non-exclusive private use and enjoyment of the Developer, the Association, Homeowners, their family members, guests, invitees, lessees and Institutional Mortgagees in accordance with this Declaration.

2. Residential Area: The portions of Villas of Capri designated on the Plan as Lots 1 - 26 in Block 1 and Lots 1 - 23 in Block 2 of Tract 38 of Springtree Lakes, according to the Plat thereof, recorded in Plat Book 79, Page 12, of the Public Records

of Broward County, Florida, and reserved for residential use in accordance with all applicable zoning laws and ordinances.

B. Land Use Covenants

In order to preserve the values and amenities of villas of Capri, the following provisions shall be applicable to villas of Capri:

(a) Appearance of Lots: All portions of Lots not occupied by a Residence, driveway or sidewalk shall be fully sodded with grass or other suitable ground cover. No plantings or other improvements shall be permitted which interfere with any easement rights set forth herein or in the Plat of the Property and no fences shall be constructed without prior approval of the Association.

(b) Nuisance: No Homeowner shall cause or permit to come from his Lot any unreasonable noises or obnoxious odors or commit or permit to be carried on in his Lot or elsewhere in the Open Area any nuisance or any immoral or illegal activities.

(c) Clotheslines: No clotheslines shall be placed on any Lot and no clothes drying shall be undertaken or permitted on a Lot; provided, however, that portable, collapsible, retractable, umbrella type or other portable clothesline equipment may be placed in the rear of a Lot provided such equipment is removed when not in use. Nothing herein shall restrict clothes drying within a Residence.

(d) Commercial Trucks, Trailers and Boats: No trucks, commercial vehicles, vans, boats, housetrailer, boat trailers or trailers of any other description, or recreational vehicles as defined by Broward County ordinances or regulations in effect from time to time, shall be permitted to be parked or to be stored on the Property over night except in an enclosed garage. This prohibition shall not apply to temporary parking of commercial vehicles such as

for pick-up and delivery and other temporary commercial services.

(e) Garage Doors: All Residences shall have garage doors and they shall be kept closed when not in use.

(f) Litter and Garbage Collection: No articles of personal property shall be hung or shaken from the doors or windows of any Residence. No Homeowner shall sweep or throw any dirt or other material from his Lot. No garbage, trash, refuse or rubbish shall be deposited, dumped or kept on any part of the Property unless shielded or screened from neighboring property, excepting garbage that is placed at the front of a Lot for pick-up, which garbage shall not be left outside for a period in excess of twenty-four (24) hours or in accordance with applicable ordinances, whichever shall be more restrictive.

(g) Signs: No sign, advertisement, notice, lettering or descriptive design shall be posted, displayed, inscribed or affixed to the exterior of a Residence or elsewhere upon a Lot excepting one (1) sign of not more than one (1) square foot stating the name of the Homeowner. No "For Sale" or similar signs or notices of any kind shall be displayed or placed upon any part of a Residence or Lot by Homeowners other than Developer without the prior written approval for same from the Association; provided, however, that no sign approved for display shall be larger than four (4) square feet.

(h) Drainage and Care for Lot: Each Homeowner shall be responsible for and shall maintain all driveways and Residences upon their Lot in good condition and repair and in a neat and attractive manner. No sod, topsoil, trees or shrubbery shall be removed from the Lots, no change in the condition of the soil or the level of the Lots or Open Area shall be made which results in any permanent change detrimental to the flow and drainage of surface water.

(i) Antennas: No exposed radio or television antennas shall be permitted on a Lot without the prior written consent of the Association.

(j) Increase in Insurance Rates: No Homeowner may take any action which will result in an increase in the rate of insurance paid for by any other Homeowners including insurance covering the Open Area.

(k) Casualties: In the event a Residence or any part thereof is damaged or destroyed by casualty or otherwise, the Homeowner thereof shall promptly clear all debris resulting therefrom and commence either to rebuild or repair the damaged improvements in accordance with the terms and provisions of this Declaration or to grass over and landscape the land previously underlying the improvements in a sightly manner.

(l) Reconstruction: Any repair, rebuilding or reconstruction on account of casualty or other damage to any Residence or any part or parts thereof shall be substantially in accordance with the plans and specifications for such Residence as originally constructed or in accordance with new plans and specifications approved in advance by the Developer, (or by the Association if after the "Turn-Over Date" as that term is defined in the Articles), in writing.

(m) Drilling and Mining Operations: No drilling, mining or quarrying for oil, gas or otherwise shall be undertaken on the Property and no oil wells, tanks, tunnels, mineral excavations, derricks or other structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the Property. Nothing herein shall preclude Developer from dredging or creating and maintaining drainage, irrigation or other facilities or easements.

(n) Livestock, Poultry and Animals: No animals, livestock, poultry or barnyard fowl of any kind shall be raised, bred or kept on the Property. Dogs, cats, and tropical fish, caged birds and hamsters may be kept, provided that they are not kept, bred or maintained for any commercial purpose, and provided further that they are kept so as not to be an annoyance or nuisance to the other Homeowners.

(o) Setback Restrictions: No Residence or any part thereof may project beyond setback lines, as determined by applicable zoning regulations.

(p) Subdivision and Petition: The Property shall not be subdivided further than as provided in this Declaration and no Homeowner shall have the right to make application or petition any Court for partition of his interests or the interest of any other Homeowner or Homeowners.

(q) Repainting of Exterior: The color of the exterior of all Residences shall not be changed unless approved by the Association (and by the Developer prior to the Turnover Date), in advance in writing.

(r) Elevation: No changes shall be made to the height of a Residence after it is completed by Developer, nor shall any Residence exceed thirty (30) feet in height.

(s) Barbeques: Barbeques may be located or permitted upon the rear or side setback of a Residence and upon such portions of the Open Areas as are, from time to time, designated by the Association; provided, however, that barbequing shall be subject to such rules and regulations as may be promulgated from time to time by the Board.

(t) Awnings and Shutters: No awnings, canopies or shutters, including hurricane or storm shutters, shall be attached or affixed to the exterior of a Residence unless such awnings, canopies or shutters have been approved in

advance by the Association, in writing, which approval may be based upon the aesthetic appearance of Villas of Capri.

C. Easements

1. Recognition of Existing Easements: The Association and all Homeowners, by their acceptance of a deed of conveyance, recognize and consent to the easements for drainage, utilities, maintenance and rights-of-way over and upon portions of the Property as set forth in the Plat of Villas of Capri and now or hereafter placed amongst the Public Records of Broward County, including, but not limited to, the utility and maintenance easements shown thereon and stated herein.

2. Encroachments: The Developer hereby grants an easement for encroachment for the benefit of each Lot and Homeowner, their grantees, successors and assigns, over and upon and along each Lot line for encroachments which now or hereafter exist, caused by minor inaccuracies in building, or in building of improvements, or by settlement or movement of these improvements, or the overhang of roof spouts or other improvements, which easement shall continue until the encroachment no longer exists.

3. Access for Utilities and Services: The Developer further reserves an easement for ingress and egress for persons and vehicles over and upon the Open Areas and other portions of the Property for the benefit of the Developer, the Association and its designees, including, utility and governmental services, agencies, franchises or companies, to provide utility or governmental services to the Property including but not limited to power, electric, transmission, television cable, garbage collections, light, telephone, gas, water, sewer, drainage, security, police and fire protection to provide maintenance of the Property.

4. Use and Enjoyment: The Developer hereby grants an easement for ingress and egress for the benefit of each Homeowner, their family members, guests and grantees to and from, over and upon the Open Area for the use and enjoyment of such Open Areas.

5. Relocation: The Homeowners, by their acceptance of a deed of conveyance, authorize the Developer (and the Association after the Turnover Date) to execute on their behalf and without further authorization, such grants of easement or other instruments as may be necessary from time to time to grant, ratify or relocate easements over and upon the Lots or Open Area or any portion thereof for the development, maintenance or servicing of the Property or other portions of Villas of Capri in accordance with the provisions of this Declaration.

6. Development and Sale: Notwithstanding any provisions in the Declaration as to use or otherwise to the contrary, Developer, by its agents or designees, reserves the right to carry on construction, development and sales activities and to place equipment, machinery, supplies and signs, construct and maintain models of Residences or other structures and park vehicles on any portion of the Property owned by it and exercise the easement rights and all other rights granted Developer under this Declaration.

ARTICLE IV

COMMON STRUCTURAL ELEMENTS

A. Common Structural Elements

Those Residences constructed in adjacent pairs or otherwise attached in a Cluster Building, contain certain structural elements, features or parts of which are also structural elements (which common structural features are herein described as the "Common Structural Elements") of another Residence in the Cluster Building. Such Common Structural Elements, which may be constructed by Developer

or added at any time during the term hereof, are as follows:

1. Roofing: The entire roof of the Cluster Building, any and all roof support structures, and any and all appurtenances to such roof and roof support structures, including, without limitation, the roof covering, roof trim, and roof drainage fixtures.

2. Flooring: The entire concrete floor slab and all foundational and support structures and appurtenances thereto.

3. Siding: Any and all siding, finish, trim, exterior shethings and other exterior materials or appurtenances on the exterior of the Cluster Building which are affixed or appended so that such materials, or parts thereof, cross the Lot lines between Residences.

4. Utility Lines: All utility lines, ducts, conduits, pipes, wires and other utility fixtures and appurtenances which are located in and are part of a Residence and which directly or indirectly in any way service other Residences in the Cluster Building.

5. Air Spaces: All air spaces separating the adjacent walls or adjacent Residences.

6. Party Walls: The walls erected along or intended to be erected along the Lot lines between the Residences which divide the boundaries of the adjacent Residences.

B. Cross Easements of Common Structural Elements

There is hereby granted to the Association and each of the Residences in each Cluster Building and the respective owners thereof, perpetual cross easements over, across, upon, under, through and into the Common Structural Elements contained in or about the Cluster Building containing such Residences, which easement is for the benefit, use and enjoyment of such Residences and the respective

owners to provide continued support, service and design to the Cluster Building and the Residences thereof. The owner of a Residence shall herein mean and refer to the owner of the Lot upon which the Residence is constructed. The aforementioned easement (the "Structural Cross Easement") shall, further, be for the purpose of maintaining, repairing, or reconstructing the Common Structural Elements. The easements herein contained shall run with the Lots containing the Residences and pass with the title thereof and shall be an appurtenance thereto.

C. Restrictions on Use and Enjoyment of Common Structural Elements

The Common Structural Elements contained in any Residence and Cluster Building are subject to the following restrictions as to use:

1. Prohibition of Damage: No owner of a Residence in any Cluster Building may in any way damage, injure or in any way impair the Common Structural Elements.

2. Requirement of Consents for Changes in the Common Structural Elements: None of the Common Structural Elements may be moved or displaced; no windows, holes, borings or openings or other changes shall be made in any of the Common Structural Elements without first obtaining the written approval of the Association and all of the owners of the Residences in the Cluster Building. As a condition of its consent, the Association may require the submission of all specifications for approval of any of the aforementioned changes.

Notwithstanding the foregoing or any other terms or provisions of this Declaration, the provisions of the immediately prior paragraph regarding consent of the Association and owners of the Residences in the Cluster Building shall not be applicable to the following: (a) the

Developer (or any Institutional Mortgagee or their respective successors or assigns which has succeeded to Developer's interest), so long as Developer owns any of the Residences in a Cluster Building and holds the same for sale in the ordinary course; and/or (b) the Developer or any agent, servant or contractor of the Developer providing warranty service or repairs, if any, to any of the Common Structural Elements; and/or (c) any owner of a Residence who has submitted plans to the Association for modification, changes, repairs, or additions to his Residence or Lot which may affect the Common Structural Elements and who certifies to the other owners of Residences in the Cluster Building and the Association in a written instrument satisfactory to the Association that he will be responsible for any and all injury or damage to the Common Structural Elements or resulting from any modifications, changes, repairs or additions thereto.

D. Maintenance of Common Structural Elements

The maintenance and repair of the Common Structural Elements shall be performed as hereafter provided:

1. Authorized Persons for Repair: Repairs, service or maintenance to be performed on any of the Common Structural Elements shall be made only by the Association or its agents or contractors or duly licensed contractors expert in the repairing, servicing or maintaining of such Common Structural Elements, except that with the written consent of all the owners of the Residences in a Cluster Building "do-it-yourself" repairs may be effected to the Common Structural Elements of such Cluster Building by the owner of a Residence.

2. Responsibility for Repairs: The costs, expenses, fees and charges arising out of the maintenance and repair of the Common Structural Elements contained in a

Residence (exclusive of the exterior surface of a Cluster Building) shall be chargeable to and paid by the owner of the Residence receiving such maintenance and/or repair except in the cases where the maintenance, servicing or repairs were brought about by the act or omission of the owner of another Residence, his family, lessees, guests and invitees, in which event such other party shall be responsible for the costs of repair, service or maintenance. The Lot lines, as the same are projected vertically, shall define and demarcate those parts of the Common Structural Elements contained within each Residence and owned by the respective owners thereof. If a dispute arises between owners of Residences in a Cluster Building concerning the need for repairs, service or maintenance or the allocation of charges between such owners, the matters of dispute shall be submitted to the Board for arbitration pursuant to rules and regulations adopted or thereupon to be adopted by the Board for such purposes.

3. Maintenance Pursuant to the Structural Cross Easement: Any owner of a Residence in a Cluster Building may authorize that repair, service or maintenance be performed to any of the Common Structural Elements contained within the other Residences in the Cluster Building (such repairs, service or maintenance being then paid for by the owners of the Residence receiving the same) on the following conditions:

(a) emergency repairs may be effected or authorized at any time and without the consent of the owner of the Residence containing the Common Structural Elements requiring the repair provided that an officer or Director of the Association determines that such emergency repairs are required; and

(b) non-emergency repairs on twenty (20) days written notice may be effected or authorized at any time and without the consent of the owner of the Residence containing the Common Structural Elements in question if the Association or Committee determines upon petition of another owner of the Residence in the Cluster Building that such repairs or servicing are warranted and necessary.

ARTICLE V

MAINTENANCE AND REPAIRS OF PROPERTY

The maintenance and repair of the Property is the responsibility of Homeowners and the Association as more particularly described below:

A. Responsibilities of Homeowners

1. Duty to Maintain and Repair Residences: Each Homeowner shall maintain in good condition and repair at his expense all portions of his Residence including the Common Structural Elements but exclusive of the exterior surface of his Cluster Building. The Homeowner shall, however, be responsible to maintain, repair and replace window panes and any screening and for his driveway and any fence located upon his Lot. Each Homeowner shall perform promptly all such maintenance and repairs, and each such owner shall be liable for any damages that arise due to his failure to perform such maintenance and repairs. Each Residence shall be maintained, repaired and reconstructed (if necessary) in accordance with the final building plans and specifications utilized by the Developer, copies of which shall be on file in the office of the Association and where changes or alterations approved by the Association (where required) have been made, the Residence shall be maintained, repaired or reconstructed in accordance therewith.

2. Responsibility for Utilities: Each Homeowner shall, at his expense, repair, maintain and replace as

necessary all lines, piping, wiring, ducts, conduits, appliances and other facilities for the furnishing of utility services solely to his Residence. In the event such facilities requiring repair or replacement service more than one Residence, then each Residence serviced shall pay an equal share of the costs of same.

3. Disputes as to Payment or Work: In the event one of the Homeowners in a Cluster Building refuses to contribute towards the cost of repairing or maintaining his Cluster Building and the other Homeowner believes the repair or maintenance is such so as to benefit both Homeowners, or in the event of a dispute as to who should perform the work, either such Homeowner may submit the facts to the Association who shall consider the questions at a meeting of its Board or a committee designated for such purposes, which meeting shall be noticed to all affected Homeowners. The determination by the Board or its committee as to the appropriateness of the repair or maintenance, and the proper allocation of the expenses thereof or who should do the work as the case may be, shall be final and the Board shall have the authority to assess a Homeowner for the costs of such repair or maintenance should it fail to contribute to the cost of same within fifteen (15) days from the determination by the Association or its committee.

B. Responsibilities of the Association

1. The Association shall be responsible for the maintenance, repair and reconstruction of the Open Areas as well as for the repainting of the exterior of the Cluster Building and for the repair and replacement of the roofs.

ARTICLE VI

ASSOCIATION EXPENSES

In order to fulfill the covenants and restrictions contained in this Declaration relative to the use and

maintenance of the Open Area there is hereby imposed upon each Lot as a covenant running with the land, the affirmative covenant and obligation to pay, the Association Expenses as those expenses are now about to be more fully set forth:

A. Description of Association Expenses

1. Real Estate and Other Taxes: Any and all real estate or other taxes levied or assessed at any time or times upon the Open Area or portions thereof by any and all taxing authorities, including all taxes, charges, assessments and impositions and liens for public improvements, special charges and assessments, and water drainage districts, and in general all taxes and tax liens which may be assessed against the Open Area and against any and all personal property and improvements, which are now or which hereafter may be placed thereon, including any interest, penalties and other charges which may accrue on such taxes.

2. Liability Insurance: The costs of the policy or policies of insurance in the form generally known as Public Liability and/or Owners policies insuring the Association and Developer against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the Open Area and improvements thereon, if any, or for any other risk insured against by such policies which the Developer (until the Turnover Date and thereafter the Association) in its sole discretion, determines to insure against. Each policy shall have limits of not less than One Million (\$1,000,000.00) Dollars covering all claims for personal injury and property damage arising out of a single occurrence, and not less than Five Million (\$5,000,000.00) Dollars for damages incurred or claimed for any one occurrence and for not less than One Hundred Thousand (\$100,000.00) Dollars property damage per occurrence with no separate

limits stated for the number of claims. The coverage of the liability insurance policies shall include protection against water damage liability, liability of hazards related to usage, and liability for property of others. All such policies will name the Association, Developer and Institutional Mortgagees holding mortgages upon Lots as their respective interests may appear, as insured parties under such policy or policies. The original of each policy shall be held in the office of the Association.

3. Other Insurances: The costs of the policy or policies of insurance to allow the Association to insure any and all buildings or improvements now located or which may hereafter be located, built or placed upon the Open Areas against loss or damage caused by or resulting from at least the following: fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, windstorm, vandalism, malicious mischief, water damage, debris removal and cost of demolition, and such other risks as the Board shall determine are customarily covered with respect to developments similar to Villas of Capri. The policy or policies purchased by the Association shall be in an amount equal to the full replacement value (i.e. 100% of current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage) of the buildings or improvements of the Open Areas (including all building services equipment and the like) with an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, and an "Increased Cost of Construction Endorsement" or the equivalent. All such policies will name the Association, the Developer and all Institutional Mortgagees, as their respective interests may appear and the "Insurance Trustee" as hereinafter described, if any, as the insured under such policy or policies.

4. Miscellaneous Insurances: The costs of premiums of such forms of insurance and in such coverages as the Developer shall determine for the protection and preservation of the Open Area or the performance of the Association. Such insurance may include, without limitation, flood insurance and fidelity insurance.

5. Utility Charges: All charges levied for utilities providing services for the Open Area, whether they are supplied by a private or public firm. It is contemplated that this obligation will include all charges for water, gas, electricity, telephone, sewer, and any other type of utility or any other type of service charge.

6. Destruction of Buildings or Improvements: Any sum necessary to repair or replace, construct or reconstruct damages caused by the destruction of any improvement upon the Open Area by fire, windstorm, flood or other casualty regardless of whether or not the same is covered in whole or in part by insurance. In the event insurance money shall be payable, such insurance money shall be paid to the Association, who shall open an account with a banking institution doing business in Broward County, Florida, for the purpose of providing a fund for the repair and reconstruction of the damage. The Association shall pay into such account, either in addition to the insurance proceeds or in the event there are no insurance proceeds, such sums as may be necessary so that the funds on deposit will equal the costs of repair and reconstruction of the damage or destruction. The sums necessary to pay for the damages or destruction as herein contemplated shall be considered Association Expenses, but shall be raised by the Association under the provisions for special assessment as provided in Article VI C. of this Declaration. The Association agrees that it will levy special assessments to provide the funds for the cost

of reconstruction or construction within thirty (30) days from the date the damage or destruction takes place and shall go forward with all deliberate speed so that the construction or reconstruction, repair or replacement, shall be completed within six (6) months from the date of damage.

7. Maintenance, Repair and Replacement: Any and all expenses necessary to (a) maintain and preserve the Open Area, and (b) keep, maintain, repair and replace any and all improvements, and personal property upon the Open Area in a manner consistent with the development of the Open Area, and the covenants and restrictions contained herein, and all orders, ordinances, rulings, and regulations of any and all federal, state and city governments having jurisdiction thereof as well as the statutes, laws and ordinances of Broward County, Florida and the United States.

8. Indemnification: The costs to the Association to indemnify and save harmless the Developer and the Association from and against any and all claims, suits, actions, damages, and/or causes of action arising from any personal injury, loss of life, and/or damage to property sustained in or about the Property from and against all costs, counsel fees, expenses and liabilities incurred in and about any such claim, the investigation thereof or the defense at any levels of any action or proceedings brought thereon, and from and against any orders, judgments, and/or decrees which may be entered herein. Included in the foregoing provisions for indemnification are any expenses or liability that the Developer or Association may incur in determining disputes or controversies involving the Open Area, all as hereinafter described, in bringing suit for the purpose of enforcing rights hereunder, or for the purpose of compelling the specific enforcement of the provisions, conditions, covenants and restrictions contained in this

Declaration to be kept and performed by the Association or Homeowners, including the payment of Association Expenses.

9. Insurance Trustee: The Association and Homeowners, by acceptance of the deed of conveyance to their Lot, acknowledge and agree that the Developer or Institutional Mortgagee may hereafter require that a trust department of a lending institution or other appropriate entity be designated as an "Insurance Trustee" for coverage regarding the Open Areas and/or Common Structural Elements. The functions of such Insurance Trustee would include holding all original policies purchased pursuant to this Declaration, being named as loss payee, distributing proceeds of such insurance, assisting in the reconstruction of improvements from insurance premiums and performing such other functions as shall be agreed upon. Any and all expenses necessary to retain and continue to retain an Insurance Trustee shall constitute Association Expenses. Unless and until an Insurance Trustee is designated by Developer or an Institutional Mortgagee is provided above, the functions of Insurance Trustee shall be performed by the Association.

10. Special Assessments: Any special assessments as shall be levied by the Association as a result of (a) reconstruction or other extraordinary items of expense under this Declaration; (b) the failure or refusal of other Homeowners to pay assessments for Association Expenses; (c) a deficit; and (d) such other reason or basis determined by the Association which is not inconsistent with the terms of this Declaration.

11. Operational Expenses: The costs of administration for the Association including any secretarial, bookkeeping and employees necessary to carry out the obligations and covenants of the Association. In the event the Association retains a managing company to assist in the

operation of the Open Area and other obligations of Association hereunder, the fees or costs of this or any other management company so retained shall be deemed to be part of the Association Expenses hereunder.

12. Lawn and Lot Maintenance: Any and all expenses incurred or to be incurred on account of lawn maintenance to be performed within the Open Areas, including, without limitation, lawn mowing, fertilizing, spraying, sodding, seeding and tree and hedge trimming.

13. Costs of Reserves: Such sums as the Board may determine is necessary to establish an adequate reserve fund for depreciation and deferred maintenance. The Board shall not include any item for reserves until the expiration of the Guaranteed Period without the consent of Developer.

B. Allocation of Association Expenses

1. Determining Individual Assessments

Individual Assessment: The total anticipated Association Expenses for each calendar year shall be set forth in a budget prepared by the Board called for under the By-Laws. The total anticipated Association Expenses shall be divided equally among the forty-nine (49) Lots and the quotient thus arrived at shall constitute and be called the "Individual Assessment". The Individual Assessment may be adjusted from time to time where the Board determines that the estimated Association Expenses are insufficient to meet the actual Association Expenses being incurred, in which event, the anticipated Association Expenses for the remaining months may be increased accordingly in calculating the Individual Assessment.

2. Assessment Payment: The Individual Assessment shall be payable monthly in advance on the first day of each month.

C. Special Assessments

1. Special Assessments for capital improvements shall be levied by the Board for the purpose of defraying in

whole or in part the cost of acquiring, constructing or reconstructing improvements upon the Open Area. The Board shall determine the cost and shall assess the same amongst the Homeowners and allocate such assessments as described in paragraph VI B.1 above; however, they may be assessed in installments or a lump sum as the Board shall determine. There shall be no special assessments charged to the Developer or against Lots owned by the Developer without the consent of the Developer. Special assessments may also be levied against Residences within a particular Cluster Building on an equal or such other basis as the Board may deem appropriate for expenses which apply to Common Structural Elements within such Cluster Building or against individual Lots for any expenses resulting from a default under the Villas of Capri Documents.

2. The Homeowners acknowledge that they are jointly and severally liable for their pro rata share of the Association Expenses but that the assessments charged to them may be increased in the event other Homeowners fail or refuse to pay their pro rata share of the Association Expenses. The Homeowners further acknowledge that in the event of nonpayment of Association Expenses, collection may be enforced by the Association in the manner as provided in subparagraph 3 immediately below.

3. The Association Expenses, including special assessments and all installments thereof, together with interest, costs of collection and reasonable attorneys' fees are hereby declared to be a charge and continuing lien against each Lot against which such assessment is made. Said lien shall be effective only from and after the time of recordation amongst the Public Records of Broward County, Florida of a written acknowledged claim by the Association setting forth the amount due to it as of the date the state-

ment is signed. Upon full payment of all sums secured by any lien, the party making payment shall be entitled to a recordable satisfaction of the claim of lien. Where the Institutional Mortgagee obtains title to a Lot as a result of foreclosure of its mortgage or deed, in lieu of foreclosure, such Institutional Mortgagee, its successors and assigns shall not be liable for the share of the Association Expenses charged to the subject Lot which became due prior to such acquisition of title, unless such share is secured by a claim of lien for assessments recorded prior to the recording of the foreclosed mortgage or deed in lieu of foreclosure. Such unpaid share of Association Expenses shall be charged against and collectible from all other Residences.

4. In the event any Homeowner shall fail to pay Association Expenses or any installment thereof charged to it within fifteen (15) days after the same becomes due, then the Association shall have any of the following remedies, to the extent permitted by law:

(a) To accelerate the entire amount of Association Expenses allocated to such Homeowner's Lot for the remainder of the calendar year notwithstanding provisions for the payment thereof in installments;

(b) To advance on behalf of the Homeowner in default or borrow funds to obtain the funds to meet Association Expenses allocated to such Homeowner's Lot and the amounts of monies so advanced, or borrowed, including reasonable attorney's fees and expenses which might have been reasonably incurred because of or in connection with such advance or loan, together with interest at the highest allowable rate, may thereupon be collected or enforced by the Association and such advance or loan by the Association shall not waive the default;

(c) To file an action in equity to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association on behalf of the Homeowners in like manner as a foreclosure of a mortgage on real property; and

(d) To file an action at law to collect said Association Expenses plus interest at the highest rate allowed by law plus court costs and reasonable attorneys' fees without waiving any lien rights and/or rights of foreclosure in the Association.

C. Rights of Institutional Mortgagees to Pay Assessments and Receive Reimbursement

An Institutional Mortgagee may, jointly or singly, pay any of the Association Expenses which are in default and which may or have become a charge against any of the Lots. Further, such mortgagees may pay any insurance premiums or fidelity bond premiums or other required items of Association Expenses when the same are overdue and when lapses in policies or services may occur. Institutional Mortgagees making any such payments will be entitled to immediate reimbursement from the Homeowners and the Association shall execute an instrument in statutory recordable form to this effect and give the original of such instrument to the Institutional Mortgagee owed the greatest amount of reimbursement. Any other Institutional Mortgagee who is owed reimbursement hereunder shall be entitled to receive from the Association a certified copy of the aforementioned instrument.

D. Developer's Guaranteed Assessment Not The Obligation of Institutional Mortgagees

Notwithstanding anything to the contrary herein contained, it is specifically understood and declared and, each Homeowner by the acceptance of a deed or other instrument of conveyance of a Lot, shall be deemed to have acknowledged and agreed, that no Institutional Mortgagee, nor any successors or assigns of such Institutional Mortgagee, or any person acquiring title to any part of Villas of Capri by reason of the foreclosure of an institutional mortgage or deed taken in lieu of such foreclosure, shall be deemed to have made, assumed or otherwise undertaken any covenants or obligations of the Developer to guarantee the level and/or duration of the assessments for Association Expenses.

ARTICLE VII

ASSOCIATION

A. Rules and Regulations

As set forth in the Plan of Development, the Developer has formed the Association to operate, maintain and administer Villas of Capri in accordance with the Villas of Capri Documents. The Board is authorized to impose rules and regulations regulating the use and enjoyment of Villas of Capri and to levy a reasonable fine for violation of any rule, which fine may not exceed the sum of Twenty-five (\$25.00) Dollars for any one violation. The rules and regulations so promulgated shall in all respects be consistent with the use covenants set forth in this Declaration and with the Plan of Development as established by Developer. The Association may modify, alter, amend and rescind such rules and regulations provided such modifications, alterations, amendments and rescissions are consistent with the use covenants set forth herein.

B. Turnover Date

The Developer agrees that it shall convey to the Association fee simple title in and to the Open Area by Special Warranty Deed subject to the following: (1) the terms and provisions of the Villas of Capri Documents; (2) real estate taxes for the year of such conveyance; (3) applicable zoning ordinances; (4) such facts as an accurate survey may show; and (5) all easements, reservations and restrictions of record, including various matters common to title at Villas of Capri. Developer reserves the right to convey portions of the Open Areas to the Association from time to time, however, the conveyance of all Open Area committed to this Declaration shall be made on or before the Turnover Date.

C. Architectural Control

For the purpose of further insuring the development of Villas of Capri as a residential area of high standards, the Association by its Board or a committee appointed by it for such purpose (the "Committee") shall exercise architectural control over the Residences and all other improvements placed on the Property. Each Lot and Homeowner, by acceptance of title thereto or by taking possession thereof, covenants and agrees that no building, wall, fence, structure or other improvements shall be placed upon the Property unless and until the plans and specifications therefor and the plot plan have been approved in writing by the Board or Committee. Each such building, wall, structure or other improvement shall be placed upon said land only in accordance with the plans and specifications and plot plan so approved. Refusal of approval of plans and specifications by the Association or Committee may be based on any grounds, including purely aesthetic grounds, which, in the sole and uncontrolled discretion of the Association or Committee shall be sufficient. No screens, shutters or other alteration to the exterior appearance of the buildings or structures shall be made without like approval. Plans for such approval shall be submitted to the Association at its office. In the event the Association or Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the same have been submitted to them, or if no suit to enjoin the construction, addition, alteration, or change has been commenced prior to the completion thereof, approval will not be required and this provision shall be deemed to have been fully complied with.

It is the intention hereof that the Association shall have the right to control all architectural aspects of any improvements constructed on the Property, including, and without limitation, height, site planning, setback requirements, open space, exterior design, landscaping, including the right to establish minimum landscaping criteria for each Lot provided that the same shall be applied equitably and without discrimination to all Lots, and all other aspects relating to the development and improvement of any Lot, for the benefit, not only of the Property, but also for the benefit of lands adjacent thereto, to the end that the entire area of which the subject lands are a part may be developed as a planned high quality residential community with each area thereof complementing the others and forming a homogeneous whole. The Developer, however, shall not be required to apply for or obtain approval from the Association or any Committee for any construction, additions, alterations or changes made or proposed for the Property.

ARTICLE VIII

CLUSTER BUILDING INSURANCE

A. "Cluster Building Insurance" Defined

Each and every owner of a Residence which is the subject of a Certificate of Occupancy from the appropriate governmental authorities shall obtain and maintain property and hazard insurance covering the Residence within the Cluster Building (such insurance policy being herein described as the "Cluster Building Insurance").

1. Such insurance shall be in an amount acceptable to the Institutional Mortgagee for such Residence and which shall not be less than the current full replacement cost, exclusive of land, foundation, excavation, and other items normally excluded from such coverage, of the Residence including all Common Structural Elements therein contained; and

2. Such insurance shall contain an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, and, if necessary, and "Increased Cost of Construction Endorsement" or "Contingent Liability from Operation of Building Laws Endorsement" or the equivalent; and

3. Such insurance shall insure the Residence and the Common Structural Elements therein contained from loss or damage caused or resulting from at least the following: fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, windstorm, vandalism, malicious mischief, water damage, debris removal and cost of demolition, and such other risks as shall customarily be covered with respect to forms of attached housing in developments similar to Villas of Capri.

4. The owners of the Residences, the Institutional Mortgagee holding a mortgage upon the Residences (and/or the Lot upon which it is situated) the Association and the Insurance Trustee, if any, shall all be named in such policies, as their interest may appear.

ARTICLE IX

CONDEMNATION

A. Taking or Partial Taking

If at any time during the term of this Declaration, the whole or any portion of the Open Areas shall be taken ("Taken Area") for any public or quasi-public purpose by any lawful power or authority, by the exercise of the right of any condemnation of eminent domain or by agreement between those authorized to exercise such right (hereinafter for the purpose of this subparagraph called "Condemnation"), this Declaration and all obligations hereunder as to the Taken Area shall terminate and expire on the date of such

taking and Association Expenses provided to be paid for such Taken Area shall be apportioned and paid to the date of such taking.

B. Division of Awards

The rights of Developer and other Homeowners in and to the net award or awards ("Taken Area Award") (after reasonable fees and expenses of collection) after any Condemnation shall be determined as follows:

(a) To the extent that Developer owns any Lots, Developer shall participate in any Taken Area Awards for its interest in the Open Areas along with and to no lesser degree than other Homeowners.

(b) The Association shall have the right to attend and participate in all hearings relevant to the Condemnation and to receive notice from Developer of such hearings.

C. Repair and Replacement

If any improvements upon the Taken Area shall be damaged or partially destroyed by any Condemnation, then the Association shall proceed with reasonable diligence to demolish, if necessary, and to construct, repair, replace or rebuild such improvements, so as to constitute the remaining part thereof complete in good condition and repair. The Association shall hold that portion, if any, of the Taken Area Award which represents consequential damages to said improvement or replacements thereof or to the part of said building, in trust, for application of the same to the cost and expense as herein provided. Repair of the Taken Area shall be conducted under the supervision of an architect or engineer licensed in the State of Florida selected by the Association and such work shall be done in accordance with plans and specifications prepared and approved in writing by such architect or engineer and submitted to Developer for approval, whose approval shall not unreasonably be withheld.

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B. Amendment and Modification

Prior to the Turn-Over Date all amendments or modifications and supplements shall be made by the Developer without the requirement of consent of the Homeowners. After the Turnover Date the right to amend or modify the provisions of this Declaration is hereby reserved in favor of the Association upon the approval of a majority of the Lots. Any such amendment or modification either by Developer, or the Association shall be effective only upon the recording of an instrument executed by the Developer, or the Association, as the case may be, amongst the Public Records of Broward County, Florida; provided, however, that in the instance where any such amendment or modification affects rights of any Institutional Mortgagee or Mortgagees, Broward County, its franchises, or other governmental authority, such instrument shall also be executed by the Institutional Mortgagee or Mortgagees affected thereby and approved by said governmental authority as the case may be.

C. Term

This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein, including, without limitation, the provisions for assessment shall run with and bind the Property to the extent committed to this Declaration and inure to the benefit of Developer, the Association, the Homeowners and their respective legal representatives, heirs, successors and assigns for a term of eighty (80) years from the date of the recording of this Declaration amongst the Public Records of Broward County, Florida; after which time this Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such eighty (80) year term or of any such ten (10) year

extension thereof, there is recorded amongst the Public Records of Broward County, Florida, an instrument signed by at least two-thirds (2/3) of the then Homeowners and then Institutional Mortgagees, agreeing to terminate this Declaration, upon which event this Declaration shall be terminated upon the expiration of the eighty (80) year term or the ten (10) year extension during which such instrument of termination is recorded.

D. Captions

Articles and paragraph captions inserted throughout this Declaration are intended only as a matter of convenience and for reference only and in no way shall such captions or headings define, limit, or in any way affect any of the terms and provisions of this Declaration.

E. Context

Whenever the context so requires, any pronoun used herein may be deemed to mean the corresponding masculine, feminine, or neuter form thereof and the singular form of any nouns and pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

F. Severability

In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect. Further, the invalidation of any of the covenants, restrictions, easements or terms and conditions of this Declaration or a reduction in the terms of the same by reason of the legal rule against perpetuities shall in no way affect any other provision which shall remain in full force and effect for such period of time as may be permitted by law.

G. Notice to Institutional Mortgagees

Upon receipt by the Association from any Institutional Mortgagee of a copy of the mortgage held by such Institutional Mortgagee on a Lot, together with written request therefor from such Institutional Mortgagee, the Association shall timely send to such Institutional Mortgagee the following:

1. A copy of any notice of a meeting of the Association or of the Board which is thereafter sent to the Homeowners of such Lot; and
2. A copy of any financial statement of the Association which is thereafter sent to the Homeowner of such Lot; and
3. Written notice of any termination by the Association of any professional management of the Property, and the assumption by the Association of the self-management of such areas; and
4. Thirty (30) days prior written notice of the cancellation or termination by the Association of any policies of insurance covering the Property or any improvements thereon, or any fidelity bonds of the Association for its officers, Directors or employees as well as copies of any notices of cancellation by others received by the Association with respect thereto; and
5. Written notice of any damage or destruction to the improvements located on the Open Areas which gives rise to net insurance proceeds therefor being available for distribution to the Homeowners of the Lots encumbered by the mortgage of such Institutional Mortgagee; and
6. Written notice of any condemnation or eminent domain proceeding or proposed acquisition arising therefrom with respect to the Property; and

7. Written notice of any material amendment to, or the abandonment or termination of, this Declaration in accordance with the terms hereof. The failure of the Association to send any such notice to any such Institutional Mortgagees shall not have any effect on any meeting, act or thing which was to have been the subject of such notice nor affect the validity thereof.

H. Subordination

The Association agrees that its interests and those of the Homeowners are subordinated to the lien, encumbrance and operation of any existing (as of the date hereof) mortgages encumbering any portion of the Property and any additional or replacement or subsequent mortgages obtained by the Developer for the purpose of financing the construction of improvements to take place upon any portion of the Property. While the provisions of this paragraph are self-operative, the Association nevertheless agrees to execute such instruments in recordable form as may be necessary or appropriate to evidence the foregoing subordination of its interests to any such mortgages and shall do so forthwith upon request of Developer.

IN WITNESS WHEREOF, this _____ day of _____, 19__ Declaration of Protective Covenants and Restrictions has been executed the day and year first above written.

WITNESSES:

CREATIVE DEVELOPMENT CORP.
OF BROWARD

By: _____

(SEAL)

L A K E (NOT INCLUDED)

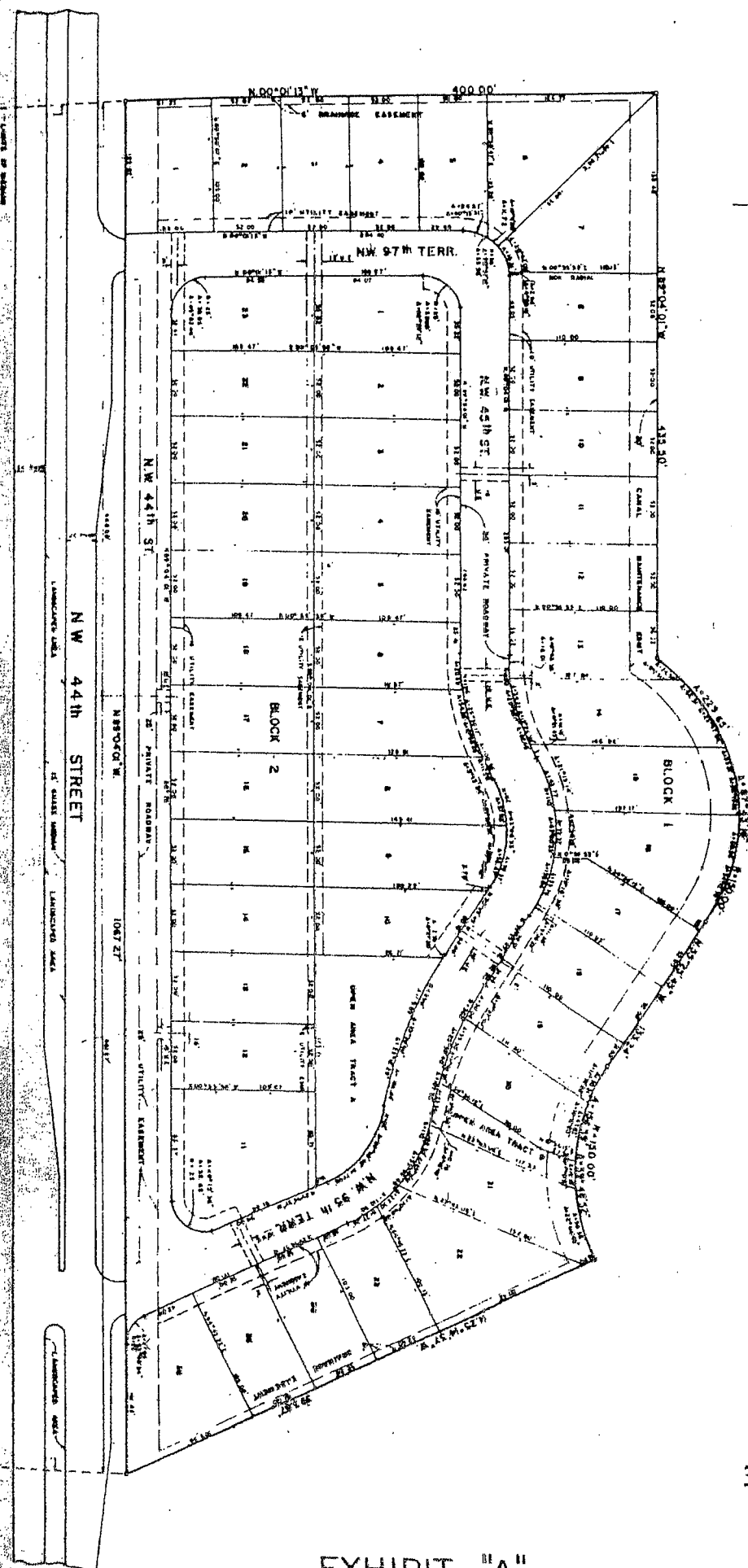
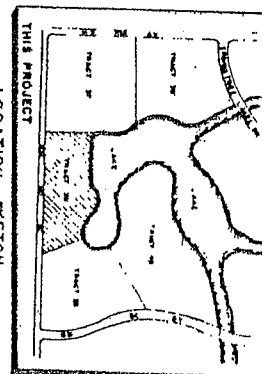


EXHIBIT "A"



PROPERTY PLAN FOR
THE VILLAS OF CAPRI AT
SPRINGTREE LAKES

Parry and May, Inc.

PROFESSIONALS SURVEILING AND ENGINEERING

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EXHIBIT "B"

DESCRIPTION: Open Area, Tract "A"

A portion of Tract 38, SPRINGTREE LAKES, according to the Plat thereof, as recorded in Plat Book 79, Page 12 of the Public Records of Broward County, Florida, being more particularly described as follows:

COMMENCING at the Southeast corner of said Tract 38; thence North $25^{\circ}14'37''$ West along the East line thereof, a distance of 160.98 feet; thence North $89^{\circ}04'01''$ West, a distance of 157.11 feet to the POINT OF BEGINNING of this description; thence North $25^{\circ}14'37''$ West, a distance of 8.16 feet to a Point of Curvature of a circular curve to the left; thence Northwesterly along the arc of said curve, having a radius of 82.00 feet, an arc distance of 77.06 feet to a Point of Reverse Curvature of a circular curve to the right; thence Northwesterly along the arc of said curve having a radius of 296.00 feet, an arc distance of 119.89 feet to a point; thence South $00^{\circ}55'59''$ West, a distance of 95.71 feet; thence South $89^{\circ}04'01''$ East, a distance of 173.71 feet to the POINT OF BEGINNING.

Said lands situate, lying and being in Broward County, Florida.

Subject to all easements, reservations, and rights-of-way of record.

DESCRIPTION: Open Area, Tract "B"

A portion of Tract 38, SPRINGTREE LAKES, according to the Plat thereof, as recorded in Plat Book 79, Page 12, of the Public Records of Broward County, Florida, being more particularly described as follows:

COMMENCING at the Southeast corner of said Tract 38; thence North $25^{\circ}14'37''$ West along the East boundary of said Tract 38, a distance of 393.67 feet to a point on the arc of a circular curve to the right, whose radius point bears North $25^{\circ}14'37''$ West from the last described point; thence Southwesterly along the arc of said curve having a radius of 150.00 feet, an arc distance of 59.55 feet to the POINT OF BEGINNING of this description; thence continue Southwesterly and Westerly along the arc of said curve, having a radius of 150.00 feet, an arc distance of 19.18 feet to a point; the last two described courses being further described as being on the Northerly boundary of said Tract 38; thence South $18^{\circ}34'15''$ West, a distance of 27.56 feet; thence South $34^{\circ}34'15''$ West, a distance of 90.00 feet to a point on the arc of a circular curve to the left, whose radius point bears North $16^{\circ}11'05''$ East from the last described point; thence Southeasterly along the arc of said curve, having a radius of 260.00 feet, an arc distance of 23.94 feet, to a Point of Reverse Curvature of a circular to the right; thence Southeasterly along the arc of said curve having a radius of 118.00 feet, an arc distance of 8.78 feet to a point; thence North $23^{\circ}43'06''$ East, a distance of 117.33 feet to the POINT OF BEGINNING.

Said lands situate, lying and being in Broward County, Florida.

Subject to all easements, reservations, and rights-of-way of record.

WEW/pc
Job No. 80-0360
June 15, 1981

PREPARED BY DARBY AND WAY, INC., 6300 N.E. 1ST AVENUE, SUITE 102, FORT LAUDERDALE, FL 33334

ARTICLES OF INCORPORATION
OF
VILLAS OF CAPRI HOMEOWNERS ASSOCIATION, INC.
(A Corporation Not-For-Profit)

In order to form a corporation under and in accordance with the provisions and the laws of the State of Florida for the formation of corporation not-for-profit, we, the undersigned, hereby associate ourselves into a corporation for the purposes and with the powers hereinafter mentioned; and to that end we do, by these Articles of Incorporation, set forth the following:

ARTICLE I
DEFINITIONS

The following terms when used in these Articles of Incorporation shall have the meanings herein set forth:

- A. "Developer" means Creative Development Corp. of Broward, a Florida corporation, its successors or assigns.
- B. "Villas of Capri" means the planned residential community being developed by Developer upon the "Property".
- C. "Property" means Tract 38 of Springtree Lakes according to the Plat thereof, recorded in Plat Book 79, Page 12 of the Public Records of Broward County, Florida, and includes all improvements now or hereafter located thereon.
- D. "Open Areas" means those portions of the Property described in the "Declaration" as Open Areas together with all improvements now or hereafter located thereon.
- E. "Lot" means a parcel of land in the Property exclusive of the Open Areas, which the Developer proposes to convey in fee simple to a "Homeowner", and all improvements now or hereafter located thereon.

EXHIBIT "C"

F. "Residence" means a residential dwelling unit now or hereafter located upon a Lot. A Residence may be free standing or contained in a building (the "Cluster Building") constructed with two (2) or more residential units attached and connected by a common roof line and floor slab and other common structural features ("Common Structural Elements"). The issuance of a Certificate of Occupancy for a residential structure upon a Lot shall determine the point in time when that Residence shall exist.

G. "Homeowner" means the owner or owners of fee simple title to a Lot and includes the Developer for so long as it is the owner of a Lot.

H. "Association Expenses" means the expenses of operating, maintaining and administering Villas of Capri.

I. "Association" means "Villas of Capri Homeowners Association, Inc.", a Florida corporation not-for-profit, being formed by Developer hereby to operate, maintain and administer Villas of Capri in accordance with the "Villas of Capri Documents".

J. "Villas of Capri Documents" means the "Declaration", these "Articles", "By-Laws" and all of the instruments and documents referred to therein.

K. "Declaration" means the Declaration of Protective Covenants and Restrictions to be recorded by Developer in the Public Records of Broward County, Florida, and any amendments thereto, which sets forth certain restrictions affecting the Property.

L. "By-Laws" means the By-Laws of the Association and any amendments thereto.

M. "Articles" means this instrument and any amendments hereto.

N. "Member" means a member of the Association.

O. "Board" means the Board of Directors of the Association.

P. "Institutional Mortgagee" means (a) any lending institution having a first mortgage lien upon a Lot including any of the following institutions: (a) an insurance company or subsidiary thereof of a Federal or State Savings and Building and Loan Association or bank or real estate investment trust or mortgage banking company doing business in the State of Florida; or (b) any "Secondary Mortgage" Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institution as the Board shall hereafter approve in writing which has acquired a mortgage upon a Lot; or (c) any and all investing or lending institutions, or the successor and assigns of such lenders which has loaned money to Developer to construct improvement upon the Property.

ARTICLE II

NAME AND ADDRESS

The name of this Association shall be VILLAS OF CAPRI HOMEOWNERS ASSOCIATION, INC. The business of the Association shall be conducted at such place or places as may from time to time be determined by the Association and the present address shall be:

9771 Northwest 44th Court
Sunrise, Florida 33321

ARTICLE III

PURPOSES

The purposes for which this Association is organized are: (a) to operate, maintain and administer the Open Areas and eventually receive title to the Open Areas under the Declaration and operate and enforce the Declaration subject

to the plan for development of Villas of Capri as described in the Declaration; and (b) to enforce and carry out the terms, conditions, covenants and provisions of the Villas of Capri Documents.

ARTICLE IV

POWERS

In furtherance of the Declaration and its purposes, the Association shall have and may exercise all of the following powers (which enumeration herein of specific powers shall not be deemed to limit or restrict the powers of the Association):

A. The Association shall have all of the common law and statutory powers of a corporation not-for-profit under the laws and statutes of the State of Florida to the extent that such powers are not in conflict with the Villas of Capri Documents.

B. The Association shall have all of the powers reasonably necessary to implement its purposes, including, but not limited to, the following:

1. To make, levy, collect and enforce assessments and special assessments for the purpose of obtaining funds from its members to pay for Association Expenses and to specially assess certain members for the repair or replacement of "Common Structural Elements" within a Cluster Building, and to use and expend the proceeds of assessments in the exercise of its powers and duties hereunder;

2. To maintain, repair, replace and operate the Open Areas in accordance with the Villas of Capri Documents;

3. To enforce by legal means the obligations of the members of this Association and the provisions of the Villas of Capri Documents;

4. To make, establish, amend and enforce rules and regulations governing the Property;
5. To enter into, make, amend, perform and carry out, or cancel, and rescind or settle contracts, (including, any management contracts for the management and operation of the Property and agreements undertaken in connection with the Association's responsibilities under the Villas of Capri Documents);
6. To deal with other corporations and associations or representatives thereof on matters of mutual interest;
7. To receive title to and own the Open Areas pursuant to the Declaration;
8. To exercise architectural control over the Property in accordance with the Villas of Capri Documents;
9. To do everything necessary, suitable or proper for the accomplishment of any of the purposes, the attainment of any of the objects, or the furtherance of any of the powers of the Association either alone or in connection with the Developer or other firms or individuals or corporations.

ARTICLE V

MEMBERS

A. The members of the Association shall have all the common law and statutory (under the laws of the State of Florida) rights, powers, duties, obligations and privileges of members of corporations not-for-profit, including the right to elect the Board of Directors in the manner provided in Article X of these Articles. The qualification of members, the manner of their admission to membership in the Association ("Membership"), the manner of the termination of such Membership, and voting by Members shall be as follows:

1. Until such time as the first conveyance of a Lot to a Homeowner other than the Developer in the manner described in paragraph A.3 of this Article, the Membership of this Association shall be comprised solely of the subscribers ("Subscriber Members") to these Articles; and, in the event of the resignation or termination of any Subscriber Member, the remaining Subscriber Members may nominate and designate a successor Subscriber Member. Each of the Subscriber Members shall be entitled to cast one vote on all matters requiring a vote of the Membership.

2. Upon the occurrence of the first conveyance of a Lot to a Homeowner other than the Developer in the manner described in paragraph A.3 of this Article, the Subscriber Members' rights and interests shall be automatically terminated and the Homeowners (which shall mean the transferee of that first Lot, the transferees of each Lot thereafter, and Developer as the owner of the remaining Lots), shall be entitled to exercise all of the rights and privileges of Members.

3. Membership in the Association by Homeowners other than the Developer shall be established by the acquisition of ownership of fee simple title to a Lot as evidenced by the recording of an instrument of conveyance amongst the Public Records of Broward County, Florida, whereupon the Membership of the prior owner thereof, if any, shall terminate as to that Lot. The Developer shall have rights of Membership for each and every Lot which is the subject of the Declaration until such time as a deed of conveyance from the Developer is recorded in the Public Records of Broward County, Florida.

4. No Member may assign, hypothecate or transfer in any manner his Membership or his share in the funds and assets of the Association except as an appurtenance to his Lot.

5. Each Lot shall have one vote exercised by the owner thereof. In the event any Lot is owned by more than one party, the voting rights shall be exercised by such party as shall be designated by the owners and in a certificate of voting authorization to be filed with the Association.

6. In no event shall the termination of Membership either (a) relieve or release any Member or former Members from any liability or obligation incurred by virtue of or in any way connected with ownership of a Lot; or (b) impair any rights or remedies which the Association or other, including other Homeowners, have or may have against such Member or former Member arising out of or in any way connected with the ownership of a Lot within Villas of Capri.

ARTICLE VI

TERM

The term for which this Association is to exist shall be perpetual.

ARTICLE VII

SUBSCRIBERS

The names and street addresses of the subscribers to these Articles are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Harvey G. Kopelowitz	700 Southeast Third Avenue Suite 300 Fort Lauderdale, Florida 33316
Grace Nixon Manne	700 Southeast Third Avenue Suite 300 Fort Lauderdale, Florida 33316

Alvin Capp

700 Southeast Third Avenue
Suite 300
Fort Lauderdale, Florida 33316

ARTICLE VIII

OFFICERS

A. The affairs of the Association shall be managed by the President of the Association, assisted by the Vice President, Secretary and Treasurer, and, if any, by the Assistant Secretary and Assistant Treasurer, subject to the directions of the Board.

The Board shall elect the President, Secretary, and Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall, from time to time determine. The President shall be elected from amongst the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible, provided, however, the office of President and a Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

B. The duties of such officers, their terms of office, the manner of their selection and removal shall be determined in accordance with the By-Laws from time to time in effect.

ARTICLE IX

FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President	-	Ronald Mishkin
Secretary	-	Max Cohn
Treasurer	-	Abbey Cohn

ARTICLE X

BOARD OF DIRECTORS

A. The business of the Association shall be conducted and administered by the Board of Directors.

B. There shall be three (3) members to the Board. The names and street addresses of the persons who are to serve as the first Board (hereinafter referred to as the "First Board"), all of whom shall be appointed by the Developer, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Ronald Mishkin	9771 Northwest 44th Court Sunrise, Florida 33321
Max Cohn	9771 Northwest 44th Court Sunrise, Florida 33321
Abbey Cohn	9771 Northwest 44th Court Sunrise, Florida 33321

C. The Developer reserves the right to name successor Directors to serve on the First Board until the "Turn-Over Date" as hereinafter described. The Members of all Board serving subsequent to the First Board shall be elected by the Members.

D. The First Board shall serve until the "Turn-Over Date", which date shall be the earliest of the following:

1. December 31, 1985;
2. Within thirty (30) days after the determination by Developer to relinquish its right to appoint the First Board. Upon the "Turn-Over Date" a special meeting of the Membership shall be called for the purpose of electing the Directors to serve as the members of the Board until the next annual meeting.

E. Developer may, at its option, and at any time or from time to time, relinquish its right to designate one or more of its directorships prior to the Turn-Over Date, whereupon a special meeting of the Membership shall be

called for the purpose of electing such Director or Directors to the First Board to serve as a member or members of the First Board until the Turn-Over Date.

F. All Directors other than members of the First Board must be residents of Villas of Capri.

ARTICLE XI

INDEMNIFICATION

Every Director and every officer (and the Directors and/or officers as a group) of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with the proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, or any settlement thereof, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all rights to which such Director or officer may be entitled by common or statutory law.

ARTICLE XII

BY-LAWS

By-Laws of this Association shall be adopted by the First Board and thereafter may be altered, amended or rescinded in the manner provided for by the By-Laws.

ARTICLE XIII

AMENDMENTS

A. For so long as the subscribers remain the sole Members, these Articles may be amended by the subscribers to these Articles or their successors.

B. Once the Homeowners are the Members, these Articles may be amended in the following manner:

1. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting (whether of Board or entire Membership) at which such proposed amendment is considered.

2. A resolution approving a proposed amendment may be passed by either the Board or by the Membership of the Association and, after being proposed and approved by one of said bodies, it must be submitted for approval and thereupon receive such approval of the other. Such approval must be by two-thirds (2/3rds) of the Members of the Association; and such approval must be by two-thirds (2/3rds) of the members of the Board of Directors.

C. An amendment shall be effective upon the filing of a certified copy thereof, setting forth the provisions amended thereby, with the Secretary of State of Florida and recorded in the Public Records of Broward County, Florida.

D. Notwithstanding the foregoing provisions of this Article XIII, no amendment to these Articles which shall abridge, amend or alter the rights of the Developer to designate and select members of the First Board as provided in Article X hereof may be adopted or become effective without the prior written consent of the Developer and no amendment may be made which shall in any manner reduce, amend or modify the provisions of the Declaration. There shall be no amendment to these Articles which shall abridge, amend or alter the rights of the Developer or Institutional

Mortgagee without first obtaining prior written consent of the Developer and/or Institutional Mortgagee should their rights be affected.

F. Any instrument amending these Articles shall identify the particular Article or Articles being amended and give the exact amendment and shall be attached to any certified copy of these Articles, and a copy of each amendment, certified by the Secretary of State, shall be recorded amongst the Public Records of Broward County, Florida.

IN WITNESS WHEREOF, the subscribers have hereunto affixed their signatures this _____ day of _____, 19__.

HARVEY G. KOPELOWITZ

GRACE NIXON MANNE

ALVIN CAPP

STATE OF FLORIDA)
 : SS.
COUNTY OF)

I HEREBY CERTIFY that on this day before me, a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared HARVEY G. KOPELOWITZ, GRACE NIXON MANNE and ALVIN CAPP, to me known to be the persons described as Subscribers in and who executed the foregoing Articles of Incorporation and they acknowledged before me that they executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, the Subscribers have hereunto affixed their signatures, this _____ day of _____, 19__.

Notary Public

My Commission Expires:

(SEAL)

BY-LAWS
OF
VILLAS OF CAPRI HOMEOWNERS ASSOCIATION, INC.

Section 1. Identification of Association

These are the By-Laws of VILLAS OF CAPRI HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association") as duly adopted by its Board of Directors. The Association is a corporation not-for-profit, organized pursuant to Chapter 617 of the Florida Statutes for the administration of "Villas of Capri" being developed upon the "Property" as defined below.

1.1 The office of the Association shall be for the present at 9771 Northwest 44th Court, Sunrise, Florida 33321 and thereafter may be located at any place in Broward County, Florida, designated by the Board of Directors (the "Board").

1.2 The fiscal year of the Association shall be the calendar year.

1.3 The seal of the corporation shall bear the name of the corporation; the word "Florida"; the words "Corporation Not-for-Profit".

Section 2. Explanation of Terminology

The following terms when used in these By-Laws shall have the following meanings:

2.1 "Developer" means Creative Development Corp. of Broward, a Florida corporation, its successors or assigns.

2.2 "Villas of Capri" means the planned residential community being developed by Developer upon the Property.

2.3 "Property" means Tract 38 of Springtree Lakes according to the Plat thereof, recorded in Plat Book 79, Page 12 of the Public Records of Broward County, Florida, and includes all improvements now or hereafter located thereon.

2.4 "Open Areas" means those portions of the Property described in the "Declaration" together with all improvements now or hereafter located thereon.

2.5 "Lot" means a parcel of land within the Property which the Developer proposes to convey in fee simple to a "Homeowner", and all improvements now or hereafter located thereon.

2.6 "Homeowner" means the owner or owners of fee simple title to a Lot and includes the Developer for so long as it is the owner of a Lot.

2.7 "Residence" means a residential dwelling unit now or hereafter located upon a Lot. A Residence may be free standing or contained in a building (the "Cluster Building") constructed with two (2) or more residential units attached and connected by a common roof line and floor slab and other common structural features ("Common Structural Elements"). The issuance of a Certificate of Occupancy for a residential structure upon a Lot shall determine the point in time when that Residence shall exist.

EXHIBIT "D"

2.8 "Association Expenses" means the expenses of operating and maintaining Villas of Capri.

2.9 "Association" means "Villas of Capri Homeowners Association, Inc.", a Florida corporation not-for-profit, being formed by Developer hereby to operate, maintain and administer Villas of Capri in accordance with the "Villas of Capri Documents".

2.10 "Villas of Capri Documents" means in the aggregate the "Declaration," "Articles" and these "By-Laws" and all of the instruments and documents referred to therein.

2.11 "Declaration" means the Declaration of Protective Covenant and Restrictions to be recorded by Developer in the Public Records of Broward County, Florida, and any amendments thereto, which sets forth certain restrictions affecting the Property.

2.12 "By-Laws" means this instrument and any amendments hereto.

2.13 "Articles" means the Articles of Incorporation of the Association and any amendments thereto.

2.14 "Member" means a member of the Association.

2.15 "Board" means Board of Directors of the Association.

2.16 "Institutional Mortgagee" means (a) any lending institution having a first mortgage lien upon a Lot including any of the following institutions: an insurance company or subsidiary thereof or a Federal or State Savings and Building and Loan Association or bank or real estate investment trust or mortgage banking company doing business in the State of Florida; or (b) any "Secondary Mortgage Market Institution" including the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institution as the Board shall hereafter approve in writing which has acquired a mortgage upon a Lot; or (c) any and all investing or lending institutions, or the successors and assigns of such lenders which has loaned money to Developer to construct improvements upon the Property.

Section 3. Membership, Members' Meetings; Voting and Proxies

3.1 The qualification of Members, the manner of their admission to Membership and the termination of such Membership shall be as set forth in Article V of the Articles.

3.2 The Annual Members' Meeting shall be held at the office of the Association at 8:00 o'clock P.M. Eastern Standard Time, on the First Tuesday in the month of September of each year commencing with the year 1982, provided, however, that if that day is a legal holiday, then the meeting shall be held at the same hour on the next succeeding Tuesday. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the Board (subject to the provisions of Article X of the Articles) and transact any other business authorized to be transacted by the Members.

3.3 Special Meetings of the Membership shall be held at any place within the State of Florida whenever called by the President or Vice President or by a majority of the Board. A Special Meeting must be called by such President or Vice President upon receipt of a written request from one-third (1/3) of the entire Membership.

3.4 A written notice of all Members' Meetings (whether the Annual Members' Meeting or Special Meetings) shall be given to each Member at his last known address as it appears on the books of the Association and shall be mailed to the said address not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. The notice shall state the time and place of the meeting of Members to take place within the State of Florida and the object for which the meeting is called. The notice shall be signed by an officer of the Association. Provisions to the contrary notwithstanding, notice of any meeting may be waived by any Member before, during or after such meeting, by a Member or Members or by the person entitled to vote pursuant to the certificate of authorization described in the Articles ("Member by Certificate") signing a document setting forth the waiver of written notice.

3.5 The Membership may, at the discretion of the Board, act by written agreement in lieu of a meeting provided written notice of the matter or matters to be agreed upon is given to the Membership at the addresses and within the time periods set forth in Section 3.4 herein or duly waived in accordance with such Section. The decision of the majority of the Membership as to the matter or matters to be agreed upon (as evidenced by written response to be solicited in the notice) shall be binding on the Membership, provided a quorum of the Membership submits a response. The notice shall set forth a time period during which time a response must be made by a Member or Member by Certificate.

3.6 A quorum of Membership shall consist of persons entitled to cast a majority of the votes of the entire Membership. A Member may join in the action of a meeting by signing and concurring in the minutes thereof and such a signing shall constitute the presence of such parties for the purpose of determining a quorum. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the voting rights present in person or represented by written proxy shall be required to decide the question. However, if the question is one upon which by express provisions of the Villas of Capri Documents requires a vote other than the majority vote of a quorum, then the such express provision shall govern and control the required vote on the decision of such question.

3.7 If any meeting of Membership cannot be organized because a quorum is not in attendance, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. In the case of the meeting being postponed, the notice provisions for the adjournment shall be as determined by the Board.

3.8 Minutes of all meetings shall be kept in a business-like manner and available for inspection by the Members and Directors at all reasonable times.

3.9 Voting rights of Members shall be as stated in the Declaration and Articles. Such votes may be cast in person or by proxy. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted by a Member to vote for him and in the Member's place and stead. Proxies shall be in writing and shall be valid only for the particular meeting designated therein and any adjournments thereof if so stated. A Proxy must be filed with the Secretary before the appointed time of the meeting in order to be effective. Any Proxy may be revoked prior to the time a vote is cast according to such Proxy.

3.10 At any time prior to a vote upon any matter at a meeting of the Membership, any Member may demand the use of a secret written ballot for the voting on such matter. The chairman of the meeting shall call for nominations for inspectors of election to collect and tally written ballots upon the completion of balloting upon the subject matter.

Section 4. Board of Directors; Directors' Meetings

4.1 At no time shall there be less than three (3) Directors.

4.2 Election and designation of Directors, when applicable, shall be conducted in accordance with the Articles, including the First Board (as defined in the Articles) who shall be designated by the Developer.

4.3 Subject to the Developer's rights as set forth in Section 4.5(b) below, vacancies in the Board shall be filled by person(s) selected by the remaining Directors. Such person shall be a Director and have all the rights, privileges, duties and obligations as a Director elected at the Annual Members' Meeting and shall serve for the term prescribed in Section 4.4 of these By-Laws.

4.4 The term of each Director's service shall extend until the next Annual Members' Meeting, and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4.5 (a) A Director may be removed from office upon the affirmative vote of two-thirds (2/3) of the Members at a Special Meeting for any reason deemed by the Members to be detrimental to the best interests of the Association. However, before any Director is removed from office, he shall be notified in writing that a motion to remove him will be made prior to the meeting at which said motion is made, and such Director shall be given an opportunity to be heard at such meeting, should he be present, prior to the vote on his removal.

(b) In the event a Director is removed pursuant to the provisions of Section 4.5(a) above, the Membership shall elect a successor Director at the Special Meeting in which the previous Director was removed. If no successor Director is elected at such meeting the remaining Directors of the Board elected by the members shall elect a successor.

(c) The provisions of Section 4.5(a) notwithstanding, a Director designated by the Developer as provided in the Articles may be removed only by the Developer in its sole discretion and without any need for a meeting or vote. The Developer shall have the unqualified right to name a successor both for any Directors designated and thereafter removed by it or for any vacancies on the Board as to a Directorship designated by it, and shall notify the Board as to the successor and of the commencement date for the term of such successor Director.

4.6 The organizational meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. No further notice of the organizational meeting shall be necessary providing that a quorum shall be present at such organizational meeting.

4.7 Regular Meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of Directors. Special Meetings of the Board may be called at the discretion of the President or the Vice President. Special Meetings must be called by the Secretary at the written request of any of the Directors.

4.8 Notice of the time and place of Regular and Special Meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting unless such notice is waived before, during or after such meeting. Any Director may waive notice of the meeting before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.9 A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as specifically otherwise provided in the Declaration, Articles or elsewhere herein. If at any meetings of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted. In the case of the meeting being postponed, the notice provisions for the adjournment shall be as determined by the majority of those present on the Board.

4.10 The presiding officer at Board meetings shall be the President. In the absence of the President, the Directors present shall designate any one of their number to preside.

4.11 Directors' fees, if any, shall be determined by the majority of the Membership.

4.12 Minutes of all meetings shall be kept in a business-like manner and shall be available for inspection by Members and Directors at all reasonable times.

4.13 The Board shall have the power to appoint committee(s) which shall have and exercise such powers of the Board during the period of time between regular meetings of the Board and such other powers of the Board as may be delegated to such committee(s) by the Board, including but not limited to the power to control all architectural aspects of any improvements constructed on the Property, in accordance with the architectural controls set forth in the Declaration.

4.14 A Director may join in the action of a meeting by signing and concurring in the minutes thereof.

Section 5. Powers and Duties of the Board of Directors

All of the powers and duties of the Association shall be exercised by the Board. Such powers and duties of the Board shall be exercised in accordance with the provisions of the Villas of Capri Documents and shall include, but not be limited to, all powers and duties set forth in the Villas of Capri Documents, and in particular, includes the following:

5.1 Making, collecting and enforcing assessments against Members to defray the costs of Association Expenses. These assessments shall be collected by the Association through payments made directly to it by the Members as set forth in the Declaration.

5.2 Using the proceeds of assessments in the exercise of the powers and duties of the Association and the Board.

5.3 Maintaining, repairing and operating the Property as provided in the Declaration, including the improvements thereon, and owning the Open Areas.

5.4 Reconstructing improvements after casualties and losses and making further authorized improvements on those areas over which the Association has jurisdiction as set forth in the Villas of Capri Documents.

5.5 Making and amending rules and regulations with respect to the use of the Property.

5.6 Enforcing by legal means the provisions of the Villas of Capri Documents and the applicable provisions of the law.

5.7 Entering into and terminating management, service and other agreements and contracts for the maintenance, care and operation of the Open Areas, including the power to delegate to third parties pursuant to such contracts all powers and duties of the Association with respect to the provision of care and maintenance of such Open Areas.

5.8 Paying taxes and assessments which are or may become liens against any Open Area.

5.9 Purchasing and carrying insurance for the protection of Homeowners, Institutional Mortgagees and the Association against casualty and liability for the Open Areas.

5.10 Paying costs of all power, water, sewer and other utilities services rendered to the Open Areas.

5.11 Hiring and retaining such employees as are necessary to administer and carry out the services required for the proper administration of the purposes of this Association and paying all salaries therefor.

5.12 Entering into agreements with other corporations or associations as contemplated under the Declaration and such other matters as the Board may deem in the best interests of the Association.

5.13 Exercising architectural control over the Residences and other improvements now or hereafter placed upon the Property.

5.14 Assessing reasonable fines not to exceed the sum of Twenty Five (\$25.00) Dollars per offense, for violation of any covenant, rule or regulation established pursuant to the Declaration and By-Laws.

Section 6. Officers of the Association

6.1 The officers of the Association shall be elected annually by the Board in accordance with the Articles. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board.

6.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of an Association, including, but not limited to, the power to appoint such committees at such times from among the Members as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association. He shall preside at all meetings of the Board.

6.3 In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First," "Second," etc. and shall exercise the powers and perform the duties of the Presidency in such order.

6.4 The Secretary shall keep the minutes of all meetings of the Board and the Membership, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary.

6.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer.

6.6 The compensation, if any, of all officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director or officer as an employee of the Association or preclude the contracting with a Director or related entity for the management of any or all of the Property.

Section 7. Accounting Records; Fiscal Management

7.1 The Association shall maintain accounting records according to good accounting practices which shall be open to inspection by Members or their authorized representatives at reasonable times. Authorization of a representative by a Member must be in writing and signed by the Member giving the authorization and dated within sixty (60) days of the date of inspection. Written summaries of the accounting records shall be supplied at least annually to the Members or their authorized representatives. Such records shall include (a) a record of all receipts and expenditures; (b) an account for each Lot which shall designate the name and address of the Homeowner, the amount of each assessment charged to the Lot, the amounts and due dates for each assessment, and the amount paid upon the account and the balance due.

7.2 (a) The Board shall adopt a budget for the Association Expenses for each forthcoming fiscal year at a Special Meeting of the Board ("Budget Meeting") called for that purpose prior to the commencement of the following calendar year. Copies of the budget as adopted shall be mailed to each Member at the Member's last known address as reflected on the books and records of the Association within thirty (30) days after said Budget Meeting. Association Expenses shall be assessed in accordance with the budget prorata in accordance with the Declaration.

(b) The Board may include a sum of money as an assessment for the making of betterments to the Property or for the establishment of reserves for repair or replacement of improvements now or hereafter located on the Property (including the Open Areas) either annually or from time to time as the Board shall determine the same to be necessary. This sum of money so fixed shall then be levied upon the Members by the Board as a special assessment.

(c) In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar years on a pro-rata basis any expenses which are prepaid in any one calendar year for Association Expenses which cover more than a calendar year, for example, insur-

ance and taxes; (iv) assessments shall be made not less frequently than quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current operating expenses and for all unpaid operating expenses previously incurred; (v) Association Expenses incurred in a calendar year shall be charged against income for the same calendar year, regardless of when the bill for such Association Expenses is received. Notwithstanding the foregoing, regular assessments shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all expenses in any calendar year as such expenses are incurred in accordance with the cash basis method of accounting. The cash basis method of accounting shall conform to generally accepted accounting standards and principles applicable thereto.

(d) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

(e) A review of the accounts of the Association shall be made annually by an auditor, accountant, or Certified Public Accountant and a copy of the report shall be furnished to each Member not later than the first day of April of the year following the year for which the report is made. The report shall be deemed to be furnished to the Member upon its delivery or mailing to the Member at the last known address shown on the books and records of the Association.

7.3 No Board shall be required to anticipate revenue from assessments or expend funds to pay for Association Expenses not budgeted or which shall exceed budgeted items, and no Board shall be required to engage in deficit spending. Should there exist any deficiency which results from there being greater Association Expenses than income from assessments, then such deficits shall be carried into the next succeeding year's budget as a deficiency or shall be the subject of a special assessment to be levied by the Board as otherwise provided in the Declaration.

Section 8. Rules and Regulations

The Board may adopt rules and regulations or amend, modify or rescind existing rules and regulations for the operation and use of the Property at any meeting of the Board; provided such rules and regulations are not inconsistent with the Villas of Capri Documents. Copies of any rules and regulations promulgated, amended or rescinded shall be mailed to all Homeowners at the last known address as shown on the books and records of the Association and shall not take effect until forty-eight (48) hours after such mailing.

Section 9. Parliamentary Rules

Robert's Rules of Order (the then latest edition thereof) shall govern the conduct of meetings of this Association when not in conflict with the Villas of Capri Documents.

Section 10. Amendments to the Articles and By-Laws

10.1 The Articles shall be amended in the manner provided in such document.

10.2 These By-Laws may be amended by the affirmative vote of not less than a majority of the Members present at a regular or special meeting of the Membership and the affirmative approval of a majority of the Board at a regular or special meeting of the Board. An amendment may be proposed and approved at the same meeting of the Board and/or Membership.

10.3 An amendment may be proposed by either the Board or by the Membership, and after being proposed and approved by one of such bodies, it must be approved by the other as above set forth in order to become enacted as an amendment.

10.4 No modification or amendment to these By-Laws shall be adopted which would affect or impair the validity or priority of any Institutional Mortgagee or the rights of the Developer without prior written consent of the Developer and/or the Institutional Mortgagee if such rights are effected. Nor shall any such modification or amendment affect any provisions, terms, conditions, rights or obligations set forth in any other of the Villas of Capri Documents as the same may be amended from time to time in accordance with the provisions thereof.

10.5 Any instrument amending the By-Laws shall identify the particular Section or Sections being amended and give the exact language of such amendment. A certified copy of each such amendment shall be attached to any certified copy of these By-Laws and a copy of each amendment certified by the Secretary of State shall be recorded amongst the Public Records of Broward County, Florida.

The foregoing are the By-Laws of Villas of Capri Homeowners Association, Inc.

VILLAS OF CAPRI HOMEOWNERS
ASSOCIATION, INC.

By: _____

Attest: _____

(SEAL)

VILLAS OF CAPRI HOMEOWNERS ASSOCIATION INC.

PROPOSED ASSOCIATION EXPENSE BUDGET¹

	<u>MONTHLY</u>	<u>ANNUALLY</u>
Maintenance and Operating Expenses:		
Pool Maintenance	\$ 225.00	\$ 2,700
Lawn and Ground Maintenance ²	425.00	5,100
Electricity	225.00	2,700
Insurance	125.00	1,500
Street Repairs	83.33	1,000
Water and Sewer	31.66	380
Cleaning Recreation Area	50.00	600
Real Estate Taxes	191.66	2,300
Miscellaneous	150.00	1,800
	<u>\$1,506.65</u>	<u>\$18,080</u>
Administrative Expenses:		
Professional	\$ 100.00	\$ 1,200 ³
Total Proposed Association Expenses	\$1,606.65	\$19,280

Estimated Assessment Per Residence.⁴

\$19,280 divided by 49 homes = 393.48 per annum or \$32.79 per month.

NOTES TO BUDGET

NOTE 1 The Budget is set forth as the budget for the initial year of operation assuming that Villas of Capri was completed in accordance with present site plans approved by the City of Sunrise. However, there is no assurance that all residences shall be constructed and that the site plan shall not hereafter be modified. These figures are estimates only, based upon information available at the time of its preparation, December 1981. In view of the above, Creative Development Corp. of Broward may have provided in your Contract for Purchase and Sale that the regular assessment set forth above is guaranteed through June 30, 1983 or "Turnover" of control of the Homeowner's Association, whichever shall first occur. References should be made to the Declaration and Articles for a discussion of Turnover. In lieu of paying a regular assessment as the owner of a residence (or lot), Creative Development Corp. of Broward shall "make up the difference" between the actual Association expenses and assessments made against other homeowners.

NOTE 2 This Budget is an estimate of the Association's expenses which are delineated in the Declaration. These expenses apply to "Open Area" and maintenance of the lawn within the Open Areas including mowing, fertilizing and spraying. Maintenance of the exterior and interior of the residences are the responsibility of the individual homeowners or where common structural elements are involved, of homeowners within a cluster building, and therefore are not reflected in this Budget.

NOTE 3 The law firm and accountants retained by Developer may also act for the Association in preparing statements, documents, conducting meetings and in connection with other services for the Association.

NOTE 4 Although this Budget has been based upon forty-nine (49) residences, Developer reserves the right to increase or decrease the number of residences actually constructed at Villas of Capri in accordance with the requirements of the City of Sunrise and at the discretion of the Developer.

NOTE 5 The Budget does not contain any items for management fees for the initial phase. Due to the relatively small size of the Villas of Capri Community, the Developer believes that outside management and/or an on-site manager should be unnecessary. It is contemplated that the Developer's staff will perform the administrative functions at no fee to the Association. Should the Board subsequently retain outside and/or on-site management, the cost would increase conclusively.

AGREEMENT FOR PURCHASE AND SALE

Lot _____
Model _____

VILLAS OF CAPRI AT SPRINGTREE LAKES

This Agreement for Purchase and Sale (the "Contract") is made between CREATIVE DEVELOPMENT CORP. OF BROWARD, a Florida corporation, having an office at 9771 Northwest 44th Court, Sunrise, Florida 33321 (hereinafter referred to as "Seller"), and _____ hereinafter called "Purchaser".

Permanent Address _____
Street City State Zip

Mailing Address if different from Permanent Address _____
Street City State Zip

Phone Number - Area Code () _____ Home
Area Code () _____ Office

W I T N E S S E T H:

Seller agrees to sell to the Purchaser and Purchaser agrees to purchase the Lot and improvements hereinafter described for the price and on the terms and conditions now about to be set forth.

I. DESCRIPTION OF PROPERTY

Purchaser is buying Model _____ on Lot _____ of VILLAS OF CAPRI AT SPRINGTREE LAKES, also known as, _____ (street address) as more particularly described on the legal description attached hereto as Exhibit A (the "Lot"), together with a residential single family home now or hereafter located thereon (the "Residence"), which Lot and Residence are hereinafter referred to as the "Property", all in accordance with and subject to the Declaration of Protective Covenants and Restrictions for VILLAS OF CAPRI AT SPRINGTREE LAKES recorded or to be recorded amongst the Public Records of Broward County, Florida (the "Declaration").

II. PURCHASE PRICE

A. The purchase price for the Property (the "Total Purchase Price") exclusive of any closing costs described in Article V hereof is as follows:

Purchase Price: \$ _____

Extras and Optional Items: \$ _____
(see addendum attached)

Total Purchase Price: \$ _____

B. The Total Purchase Price shall be paid by Purchaser in the following manner:

(1) Reservation
deposit (if any)
paid prior to the
execution of this
Agreement \$ _____

(2) Deposit upon
execution of this
Agreement, receipt
of which is acknowledged
subject to
collection \$ _____

(3) Additional cash
deposit due upon
10 days' notice
of completion

(i) Slab \$ _____
(ii) Roof Dry-in \$ _____
(iii) Interior Walls \$ _____
(iv) Kitchen & Bath
Cabinets \$ _____

(4) Proceeds of mortgage
loan, if any, to be
paid at closing (if
applicable refer to
provisions of
Paragraph C-2
below \$ _____

(5) Balance of purchase
price due at closing
in cash or cashier's
check \$ _____

C. Total Purchase Price: \$ _____

Mortgage Provisions (applicable only if paragraph II.B(4) indicates a dollar amount.

1. Purchaser intends to pay for a portion of the Total Purchase Price by either assuming an existing first mortgage on the Property ("Seller's Mortgage") or obtaining a mortgage loan ("Mortgage Loan") from a bona fide lending institution acceptable to the Seller and hereinafter referred to as "Mortgagee". Purchaser agrees to make application for such Mortgage Loan either (a) within five (5) days from date of execution of Contract by the Seller in the instance where the Contract is executed after the "Completion Date" as defined in Paragraph V.A below, or (b) in all other instances within five (5) days from notice from Seller directing Purchaser to apply.

2. To obtain the Mortgage Loan the Purchaser agrees to faithfully perform all of the following acts which are for convenience referred to as the "Mortgage Loan Acts": the Purchaser agrees to use his best efforts to obtain the Mortgage Loan in good faith; including the submission of applications to such lenders as Seller may designate; to provide all necessary information and execute all necessary documents; to pay all costs in connection with the said Mortgage Loan; to otherwise promptly and fully comply with all requests of the Mortgagee to close such Mortgage Loan; and to take such other actions as are reasonably necessary for the obtaining of such Mortgage Loan.

3. (a) In the event the Purchaser having undertaken and performed the Mortgage Loan Acts, including the submission of applications to those lenders approved by Seller, fails to obtain his Mortgage Loan, then the Purchaser shall give the Seller the "Mortgage Termination Notice" (as hereinafter defined). The Mortgage Termination Notice shall contain the following statements of Purchaser: (i) that the Mortgage Loan Acts have been undertaken and performed; (ii) the name and address of the Mortgagees which considered the

Mortgage Loan; (iii) the reasons for the failure to obtain the Mortgage Loan; and (iv) the election of Purchaser to terminate the Contract.

(b) The Mortgage Termination Notice shall be given within sixty (60) days of Purchaser's execution of the Contract or not less than thirty (30) days prior to Closing, whichever is the sooner to occur, which date is hereinafter called the "Mortgage Termination Notice Date". If the Mortgage Termination Notice is not given by the Mortgage Termination Notice Date, Purchaser agrees that Purchaser has obtained the Mortgage Loan, or waived the provision concerning the requirement to obtain mortgage financing, and Purchaser will not thereafter have any right to terminate the Contract because of a failure to obtain a Mortgage Loan.

4. If the Mortgage Termination Notice is given Seller by the Mortgage Termination Notice Date, then the Seller, within thirty (30) days of the receipt of the Mortgage Termination Notice, shall return all monies paid to it under the Contract less Two Hundred (\$200.00) Dollars to be retained by Seller in consideration of Seller effecting and processing the Contract, and the Contract shall be terminated and the parties shall be discharged from all further rights and obligations thereunder. However, in the event within the thirty (30) day period Seller ascertains that the Purchaser has failed to undertake and perform the Mortgage Loan Acts, then the Purchaser agrees that the Mortgage Termination Notice shall not terminate the Contract and the balance shall be due and payable as a cash purchase in installment amounts specified in accordance with the provisions of Paragraph B (3) (i) (ii) (iii) (iv). Further, the Purchaser specifically understands and acknowledges that if the Total Purchase Price is not paid at the time of Closing, the Purchaser will be in default under the Contract.

5. Notwithstanding the foregoing provisions, the Seller, at its option, may within thirty (30) days of the receipt of the Mortgage Termination Notice, obtain the Mortgage Loan for the Purchaser from Mortgagee. In the event the Seller shall obtain such mortgage financing, it shall so notify the Purchaser, in which event the Mortgage Termination Notice shall not terminate the Contract, and the Purchaser specifically agrees and does hereby accept the mortgage financing thus obtained by the Seller, and to undertake and perform the Mortgage Loan Acts. The Seller may obtain such mortgage financing in its own name and permit the Purchaser to assume the same at the time of Closing. In any of the foregoing eventualities, the Purchaser agrees to reimburse the Seller for all Mortgage Loan closing costs and escrows including, but not limited to, commitment fee, recording costs, intangible tax, documentary stamps, Mortgagee's attorney's fees, appraisals, and any mortgagee title insurance or abstract charges.

6. The Total Purchase Price includes the non-exclusive right to use the "Open Areas" at VILLAS OF CAPRI AT SPRINGTREE LAKES as shown on the Property Plan of VILLAS OF CAPRI AT SPRINGTREE LAKES, along with the other purchasers, their family members, guests, invitees as well as other parties in accordance with the provisions of the Declaration to the extent such Open Areas are committed to development.

III. CONSTRUCTION AND COMPLETION

A. Purchaser acknowledges that there has been made available to him and that he has been shown the Plans and Specifications ("Specifications") of the type of residence being purchased by him hereunder and the Lot upon which said residence is being constructed, as well as the Residence (or model thereof) being purchased by him provided that the

Residence or model has been completed prior to the date of this Contract. Seller, in completing construction of the Residence agrees to construct the same substantially in accordance with the model or Specifications, however, Purchaser acknowledges that all models and Specifications are typical and interior dimensions and mechanical locations shown therein are only approximations. Purchaser further acknowledges that construction is subject to job site changes and shortages in materials or supplies or substantial increases in the cost of same which, in the discretion of Seller, may require a substitution of materials or supplies. In the event of any such substitution, Seller agrees whenever reasonably possible to use materials or supplies of equal quality, however, in no event shall such materials or supplies be of less quality than required by applicable building codes. Purchaser acknowledges that all furnishings, wall coverings, fixtures or other decorative improvements appearing in any model are not included in the Residence and that carpeting, cabinets, formica, floor tile and paints may be of a different quality, color or grade than as shown. Purchaser further acknowledges that manufacturers colors or grades of items received by Purchaser and supplied by Seller may vary from those selected by Purchaser due to shortages, discontinuances of selections, substantial increases in the costs of same, or color run variations. Seller and Purchaser acknowledge that only such kitchen appliances and fixtures which are shown in the model or Specifications or substitutions of comparable quality for reasons described above, are included in the Total Purchase Price, unless a special quality, color or grade is specified by addendum hereto.

B. Purchaser may request changes or modifications in the improvements consisting of additions, deletions or modifications from the plans and specifications. In those instances where Seller, in its sole discretion, agrees to such requested change, the Seller will charge an administrative fee of Fifty (\$50.00) Dollars for any additional changes same to be chargeable to the Purchaser at the time the change is requested. This administrative charge is in addition to the charge for the requested addition, deletion or modification.

C. The estimated date for completion of the subject improvements is _____. The expression of an estimated time of completion on the part of the Seller is made as an accommodation to Purchaser but any estimated time of delivery expressed herein or elsewhere shall not be construed as time which is of the essence of this Contract and is subject to delay should loan approval, Seller's progress or plans be altered by conditions unforeseen by or outside the control of the Seller. Any such delay shall not require formal or specific notice by Seller to Purchaser. Seller shall make reasonable efforts to meet estimated construction schedules, but Seller shall not be obligated to make, provide or compensate for any accommodations to Purchaser as a result of delayed completion. Neither shall Seller be liable for any expenses or inconveniences to Purchaser which may directly or indirectly arise from delay of completion or from delay of delivery of possession. Further, such delays shall not serve to cancel, amend or diminish any of the Purchaser's obligations herein undertaken. Notwithstanding the foregoing, the Seller acknowledges its unconditioned obligation to complete, and caused to be issued, a Certificate of Occupancy, to the Property, and to deliver the Property to the Purchaser within not more than twenty-four (24)

months from the execution of this Contract. In the event the Property has not been delivered to the Purchaser within said twenty-four (24) month period, the Purchaser shall have as his sole remedy the right to rescind this transaction and procure the return of all the deposit monies made under this Contract.

D. Purchaser agrees that neither he or his designees shall enter upon or interfere in any way with the construction of the Residence or any other improvements at VILLAS OF CAPRI AT SPRINGTREE LAKES unless accompanied by the Seller.

IV. DEED, TITLE AND INSURANCE POLICY

A. The Property shall be conveyed by Warranty Deed. The Purchaser agrees to sign the Warranty Deed evidencing his consent to the Declaration. The acceptance of such Warranty Deed by Purchaser shall be deemed to be an acknowledgement by Purchaser of the full performance and discharge of Seller of every agreement and obligation under this Contract.

B. Title shall be conveyed subject to a) the terms, conditions, restrictions, covenants and provisions of the Declaration; b) zoning regulations and ordinances and real estate taxes for the then current year and subsequent years, any pending and certified municipal liens; and d) all restrictions, reservations and easements of record.

C. At or before the Closing Seller shall, at Purchaser's written request and at no additional charge to Purchaser, provide Purchaser with a title insurance policy showing his title to be good and marketable, subject to those matters as set forth in Article IV B. herein and the standard exceptions contained in an ALTA Owner's Policy Form A.

V. CLOSING

A. Purchaser and Seller mutually agree that the closing of the Property (the "Closing") shall be held within

ten (10) days from the date of issuance of a certificate of occupancy (the "Completion Date") or within thirty (30) days from the date hereof if such completion has occurred prior to the execution of this Contract. The specific time and place for Closing shall be designated by Seller in writing to Purchaser at least seven (7) days prior to the Closing date (the "Closing Notice"). For purposes of calculating prorations at Closing, the date specified in the Closing Notice shall be the date of Closing, unless the Closing is postponed by Seller through no fault of the Purchaser. Seller reserves the right to postpone Closing upon notice to Purchaser.

B. Purchaser may arrange for an inspection of the Property after receipt of Closing Notice and may deliver to Seller a checklist of those items which he considers incomplete and which constitute defects in workmanship or materials. No verbal request will be honored. Seller shall be obligated to cure any such items which constitute defects within a reasonable period of time after Closing, but this obligation to repair and the determination of what constitutes a defect shall not be cause to delay Closing. Purchaser shall close without reduction, credit or escrow notwithstanding any alleged incomplete construction or defects in workmanship or materials.

C. Should a delay in Closing occur due to the fault of Purchaser, Purchaser shall further be required to pay to Seller in cash at the time of Closing, a sum equivalent to eighteen (18%) percent (or the highest amount permitted by law, whichever is greater) of the balance of the Total Purchase Price then due and owing to the Seller, calculated on a per diem basis, for every day of delay in Closing due to the fault of the Purchaser. If the Seller defaults in the

performance of this Contract, Purchaser shall give Seller seven (7) days written notice of such default and an opportunity to cure same. The provisions herein contained for liquidated and agreed upon damages are bona fide provisions for such and are not a penalty, the parties understanding that the delayed performance under the terms of this Contract creates damages to the Seller not susceptible to specific ascertainment, and therefore this provision for liquidated and agreed upon damages is incorporated as a benefit to both parties. Seller may elect at its exclusive option to demand damages under this clause or to declare a default under the provisions of this Paragraph VI.

D. At the Closing, Seller shall be charged for the costs for all applicable Federal and State documentary stamps, and recording costs with respect to the Warranty Deed delivered hereunder. Purchaser shall pay a fixed sum of one (1%) percent of the Total Purchase Price at Closing to Seller to offset these and other expenses incurred in connection with Closing. In addition thereto, Purchaser shall reimburse Seller for the closing costs incurred by it for the Mortgage Loan obtained or assumed by Purchaser as provided above. Seller shall not be required to account to Purchaser for the application of the one (1%) percent closing costs charged. Real estate taxes and "Association Expenses" for the VILLAS OF CAPRI HOMEOWNER'S ASSOCIATION (hereinafter the "Association") shall be prorated as of the Closing.

E. Purchaser shall also pay a capital contribution to the Association equal to two (2) months assessment for Association Expenses. Purchaser agrees that the Working Capital Contribution assessment may be used by the Association for any proper purpose specified in the Declaration,

including but not limited to special assessments and assessments for capital improvements levied by the Association or as reimbursement to Seller for deposits made by Seller for utilities serving the Open Areas; or as a fund for miscellaneous items. The Seller is not obligated to maintain or replenish the Working Capital Contributions during the period it controls the Association or subsequent thereto.

F. Purchaser also agrees to execute any closing statements, the Warranty Deed and other documents which may be required by Seller in connection with the Closing.

VI. DEFAULT

A. Purchaser shall be in default under this Contract in the event Purchaser (a) fails or refuses to complete and execute any or all of the instruments required to be executed by Purchaser under this Contract promptly or when requested to do so by Seller or Mortgagee; or (b) fails or refuses to timely make any payments required under this Contract; or (c) fails to close this Contract in accordance with the terms hereof; or (d) in any other manner fails or refuses to perform his obligations under this Contract. In the event of any such default by Purchaser, Seller shall give Purchaser written notice of such default and shall allow seven (7) days from the date of such notice for Purchaser to cure such default. Purchaser and Seller recognize the impossibility of measuring Seller's damages if Purchaser defaults in his obligations hereunder, and if Purchaser defaults in his obligations hereunder and fails to cure such default within such seven (7) day period, Seller shall have the unrestricted right to declare Purchaser in default under this Contract and to retain all sums paid to it hereunder (hereinafter the "Deposit Monies") as agreed upon and liquidated damages in

full settlement of any claim for damages and to terminate all rights of Purchaser under this Contract, as the parties acknowledge that it is impossible to determine with specificity the monetary damage to Seller.

B. In the event Seller defaults under the terms or provisions hereof, and upon Seller's failure to cure said default after seven (7) days notice from Purchaser, the Deposit Monies paid into escrow, together with interest thereon, shall, upon request of Purchaser, be paid over to Purchaser. In no event shall Purchaser be entitled to any consequential damages. Purchaser, upon acceptance of the Warranty Deed at Closing, shall waive any rights to damages for delays or other alleged wrongful acts by Seller or its agents.

C. Attorneys' Fees. In the event any action is commenced in connection with this Contract, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs both on the trial and appellate levels.

VII. INSULATION OF RESIDENCE

In accordance with the regulations of the Federal Trade Commission, the Seller discloses the following insulating values as applicable to its Residences:

(a) insulation in the ceilings of the Residence will have an R-Value of 19;

(b) the living area exterior walls will have an R-Value of 3; and

(c) insulation in separation walls between the Residence and the garage and garage ceiling will have an R-Value of 11.

VIII. MISCELLANEOUS PROVISIONS

A. Any notice required or permitted to be given to Purchaser under this Contract may be delivered either personally or by mail addressed to Purchaser at the address of Purchaser set forth above. Any notice required to be

given to Seller under this Contract must be mailed by United States certified mail, postage prepaid, to Seller at the address of Seller first set forth above. Any notice to Purchaser or Seller under this Contract shall be deemed given and delivered when mailed or personally delivered in the manner set forth in this paragraph.

B. Purchaser agrees that the Contract is and shall be subordinate to the rights of any purchase money mortgagees and lenders who have or may enter into a mortgage with Seller to finance the purchase or development of the Property, and this subordination shall be self-operating.

C. This Contract may not be assigned, sold or transferred by Purchaser in whole or in part without the prior written consent thereto by Seller. Any such assignment without Seller's written consent shall be invalid.

D. This Contract supersedes any and all understandings and agreements between the parties hereto, whether oral or written, and this Contract together with any addendums attached hereto represents the entire agreement between the parties hereto. No representation or inducement, whether oral or written, made prior hereto, which is not included in this Contract, shall have any force or effect. This Contract may not be changed or terminated orally and may be amended and modified only by an instrument in writing signed by each of the parties hereto.

E. No furniture or personal property of any kind may be put into the Residence, nor may any person or persons occupy the house until all monies due the Seller have been paid and the Warranty Deed executed and delivered, and all necessary documents have been signed and funds delivered to the Seller.

F. Purchaser acknowledges receipt of the Declaration, Articles of Incorporation, By-Laws and proposed Budget of the Association (hereinafter the "Association Documents") and Purchaser acknowledges and consents to the provisions thereof including the assessment authority and lien rights of the Association for nonpayment of Association Expenses and any other such expenses referred to in the Association Documents as well as the rights granted to an architectural control committee. Purchaser acknowledges that the Association Documents may be amended to meet the requirements of Mortgagees, or governmental or municipal authorities, and does hereby consent to such amendments without further notice, provided they do not substantially affect the rights and ownership of the Purchaser in the Property.

G. This Contract shall be binding upon the parties hereto and, their respective heirs, executors, legal representatives, successors and, as permitted hereunder, assigns.

H. Purchaser agrees not to record this Contract or any notice or memorandum thereof amongst the Public Records of Broward County, Florida. The recording by Purchaser of this Contract shall constitute a material breach by Purchaser of this Contract entitling Seller to invoke the default provisions of Article VI hereof.

I. Time is of the essence as to Purchaser's obligations hereunder.

J. Purchaser acknowledges that the assessments charged by the Association are based on a budget prepared by the Association which itemizes the Association Expenses for each calendar year. Commencing with the recording of the Declaration and continuing until the "Guaranteed Period" (as hereinafter defined) takes effect, the Developer shall be responsible and shall pay all Association Expenses. The term "Guaranteed Period" shall mean the period of time

commencing with the issuance of a Certificate of Occupancy on the "Recreation Building" and continuing until the first to occur of June 30, 1983 or the "Turn-Over Date", as these terms are defined in Declaration. During the Guaranteed Period, it is agreed by the Developer that the Purchaser's individual assessment shall not exceed the sum of \$32.79 per month and that the Developer will pay the difference, if any, between the Association Expenses incurred during the Guaranteed Period and the amount assessed against the Lots other than those owned by the Developer. After the Guaranteed Period, the Association Expenses shall be assessed and adjusted as set forth in the Declaration.

K. Purchaser warrants that this sale was made by Seller's personnel and Purchaser agrees to indemnify Seller against any claims of real estate brokers for commissions relating to this sale.

L. THE BUYER OF A ONE- OR TWO-FAMILY RESIDENTIAL DWELLING UNIT HAS THE RIGHT TO HAVE ALL DEPOSIT FUNDS (UP TO TEN (10%) PERCENT OF THE PURCHASE PRICE) DEPOSITED IN AN INTEREST-BEARING ESCROW ACCOUNT. THIS RIGHT MAY BE WAIVED, IN WRITING, BY THE BUYER. Purchaser acknowledges, receipts of Escrow Rider in accordance with the Escrow Law of the State of Florida and Broward County, Florida.

IN WITNESS WHEREOF, the parties have hereunto affixed their respective hands and seals on the day and year set forth under their respective names.

WITNESSES:

SELLER:

CREATIVE DEVELOPMENT CORP. OF
BROWARD

By: _____

Dated: _____

PURCHASER:

Dated: _____

ESCROW RIDER

THIS INSTRUMENT is a "Rider" to the Agreement for Purchase and Sale (the "Contract") executed simultaneously with the Contract between the Purchaser and Seller and it is intended that this Rider form a part of the Contract. All terms, conditions and provisions of the Contract are incorporated herein by reference.

I. Florida Statutes Chapter 501.1375 and Broward County Ordinance 79-91 require that buyers be provided with the following statement:

THE DEPOSIT OF FUNDS ON A CONTRACT TO HAVE A HOME BUILT INVOLVES SOME FINANCIAL RISK. YOU ARE HEREBY ADVISED THAT THERE IS A BROWARD COUNTY ORDINANCE REQUIRING THAT ALL PAYMENTS (UP TO 10% OF THE PURCHASE PRICE) RECEIVED BY THE DEVELOPER BE PLACED IN ESCROW UNLESS WAIVED BY THE BUYER. IN LIEU OF ESCROW, BUYER MAY BE PROVIDED WITH ONE OR MORE ALTERNATIVE PROTECTION(S), AT THE DISCRETION OF THE SELLER. BUYER IS URGED TO MAKE INQUIRIES AS TO THE REPUTATION AND/OR FINANCIAL STABILITY OF THE SELLER AND TO CONSIDER SEEKING COMPETENT PROFESSIONAL ADVICE REGARDING THE PROPOSED PURCHASE.

II. Seller, in accordance with the above Statute and Ordinance, gives the Purchaser the following options, which the Purchaser has herein indicated is his election:

A. All payments up to ten (10%) percent of the purchase price received by Seller toward the purchase price ("Deposit Monies") are to be placed in an escrow account ("Escrow Account") with an "Escrow Agent" which shall be Landmark First National Bank of Fort Lauderdale, 7001 West Broward Boulevard, Plantation, Florida. (Deposit Monies may be invested pursuant to Section 2.01 of said Ordinance). In addition and pursuant to 2-04 of said Ordinance, Seller is permitted and will charge the Purchaser a fee which is one (1%) percent of the total purchase price; or

B. The deposit escrow requirement and the alternate protections provided for by said Ordinance are hereby waived by Purchaser, in which event there is no one (1%) percent fee.

III. Purchaser, by his signature to this Rider, expressly authorizes the Escrow Agent to disburse Purchaser's Deposit Monies to Seller at Closing or upon Purchaser's default upon notice in writing thereof by Seller. Escrow Agent is hereby authorized to

act and rely exclusively on this last stated authorization as its instruction from Purchaser to so release Deposit Monies to Seller at the Closing or upon Purchaser's default. In the event Seller is entitled to the Deposit Monies in the Escrow Account, either as a result of the Closing or the default of the Purchaser or otherwise, the Seller shall be entitled to interest accrued thereon, if any. In the event Purchaser is properly entitled to terminate the Contract, the Deposit Monies shall be returned to Purchaser, together with interest accrued thereon, if any.

In the event that the Escrow Agent places the Deposit Monies or any other sums or things held by it in the registry of the Circuit Court in and for Broward County, Florida, and files an action of interpleader naming Purchaser and Seller, Escrow Agent shall be released and relieved from any and all further obligation and liability in connection with the Deposit Monies, and the Purchaser and Seller hereby agree, jointly and severally, to indemnify and hold Escrow Agent harmless from any claims, damages or losses arising from Escrow Agent's escrowing or disbursing of Deposit Monies other than those claims or damages resulting from Escrow Agent's own gross negligence or willful malfeasance, including, but not limited to, all costs and expenses incurred by Escrow Agent in connection with the filing of such action, including, but not limited to, reasonable attorneys' fees for Escrow Agent's attorney(s) through and including all appeals.

IV. ELECTION OF PURCHASER: (Check One)

☐ Purchaser hereby elects to put the funds in escrow as per Item II.A above.

☐ Purchaser hereby elects to waive the protections of said Ordinance as per Item II.B above.

SELLER:

CREATIVE DEVELOPMENT CORP. OF BROWARD

By: _____

PURCHASER:

