

**DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR PARKWOOD AT KENSINGTON**

THIS DECLARATION is made on this 17th day of March, 1998, by PARKWOOD LUXURY BUILDERS, INC., a Florida corporation (hereinafter referred to as "Declarant").

RECITALS:

WHEREAS, Declarant owns certain property in the County of Broward, State of Florida, which is more particularly described in Exhibit "A" attached hereto (hereinafter referred to as the "Properties"); and

WHEREAS, Declarant intends to develop single family and executive residential dwelling units upon the Properties; and

WHEREAS, Declarant desires to preserve and enhance the value of the dwelling units which it builds upon the Properties and to promote their Owners' and occupants' welfare, and accordingly, Declarant wishes to submit the Properties to various easements, covenants, restrictions, conditions, reservations, equitable servitudes, liens and charges, all running with the Properties as hereafter set forth.

NOW, THEREFORE, the Declarant declares that the real property described in Exhibit "A" hereto (including any and all Improvements thereon), shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the easements, restrictions, covenants, conditions and equitable servitudes expressly declared as applicable to the Properties, shall encumber and bind the Properties and shall inure to the benefit of and run with the title to the Properties and shall be binding upon all persons having any right, title or interest therein, or any part thereof their heirs, successors and assigns; and shall inure to the benefit of and be binding upon Declarant, its successors and assigns, the Association and its successors-in-interest and each Owner and his respective successors-in-interest; and may be enforced by any Owner, and his successors-in-interest, or by the Association.

**ARTICLE I
DEFINITIONS**

Unless otherwise expressly provided, the following words and phrases when used herein shall have the meanings hereinafter specified:

Section 1. "Articles" shall mean the Articles of Incorporation of Parkwood at Kensington Homeowners Association, Inc., as such Articles may be amended from time to time. A copy of the Articles are attached as Exhibit "B"

Section 2. "Assessment" shall mean any of the types of assessments defined in Article V of this Declaration.

Section 3. "Association" shall mean Parkwood at Kensington Homeowners Association, Inc., a Florida non-profit corporation, and

its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association elected in accordance with the By-Laws of the Association.

Section 5. "By-Laws" shall mean the By-Laws of the Association, which have been or shall be adopted by the Board as such By-Laws may be amended from time to time. A copy of the By-Laws are attached as Exhibit "C".

Section 6. "Common Expenses" shall mean the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Facilities; the costs of any and all commonly metered utilities and other commonly metered charges for the Common Facilities; costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees and costs of insurance bonds covering those personnel; the costs of all utilities, gardening and other services benefiting the Common Facilities; the costs of fire, flood, casualty and liability insurance, workmen's compensation insurance, and other insurance covering the Common Facilities; the costs of bonding of the members of the Board and any management body; the cost of officers' and directors' insurance coverage; taxes paid by the Association, including real property taxes, if any, for the Common Facilities; amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Facilities, or portions thereof; the costs of any other item or items so designated by, or in accordance with, other expenses incurred by the Association for any reason whatsoever in connection with the Common Facilities for the benefit of the Owners; and reserves for capital improvements and deferred maintenance of the Common Facilities. Included within Common Expenses shall be the cost of security alarm monitoring for each Dwelling Unit located on each Lot in the Properties.

Section 7. "Common Facilities" shall mean those certain Improvements created or constructed upon the Properties or any portion of the Properties for the common benefit of all Owners of Dwelling Units within the Properties.

Section 8. "Declaration" shall mean this instrument as it may be amended from time to time.

Section 9. "Declarant" shall mean and refer to Parkwood Luxury Builders, Inc., a Florida corporation, and any successor or assignee thereof, which acquires any of the Properties from the Declarant for the purpose of development and to which Declarant specifically assigns all or part of the rights of the Declarant hereunder by an express written assignment recorded in the Public Records of Broward County, Florida.

Section 10. "Declarant's Permittees" shall mean the Declarant's officers, directors, partners, joint venturers, parent, (and the officers, directors and employees of any such corporate or other partner, parent, entity or joint venturer), if any, employees, agents, independent contractors (including both general contractors and sub-contractors), suppliers, visitors, licensees and invitees.

Section 11. "Dwelling Unit" or "Unit" shall mean and refer to a constructed dwelling which is designed and intended for use and occupancy as a family residence.

Section 12. "Improvements" shall mean all structures or artificially created conditions and appurtenances thereto of every type and kind located upon the Lots or Common Facilities which may, but not necessarily, include, but not be limited to, buildings, swimming pools, spas, cabanas, walkways, sprinkler pipes, road,

driveways, parking areas, fences, gazebos, screening walls, retaining walls, berms, stairs, decks, landscaping, hedges, windbreaks, plantings, planted trees and shrubs, poles, lighting poles, signs, exterior air conditioning, heating and water-softener fixtures or equipment and television and cable equipment.

Section 13. "Institutional Mortgage" shall mean a first mortgage upon a Lot held by an Institutional Mortgagee.

Section 14. "Institutional Mortgagee" shall mean one or more commercial or savings banks, savings and loan associations, mortgage companies, insurance companies, pension funds, or business trusts including but not limited to real estate investment trusts, and any other lender engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such lender, or any private or governmental institution which has insured or guaranteed the loan of the lender, the Declarant, or any combination of the foregoing entities.

Section 15. "Interest" shall mean the maximum nonusurious interest rate allowed by law on the subject debt or obligation, and if no such rate is designated by law then eighteen percent (18%) per annum.

Section 16. "Late Charges" shall mean any and all late charges, fees or fines levied by the Association in connection with any unpaid Assessments and costs of collection thereof, including, but not limited to, attorneys' fees and interest on all unpaid amounts, including the unpaid Assessments.

Section 17. "Lot" shall mean one of the plots of land designated or to be designated as a "Lot" (each of which bears a separate identification number) upon which a single Dwelling Unit is permitted to be erected as delineated on the Plat.

Section 18. "Management Company" shall mean the person, corporation or other entity which may be appointed or hired by the Association hereunder as its agent and delegated certain duties, powers or functions of the Association.

Section 19. "Member" shall mean any person or entity holding a membership in the Association as provided in Article III, Section 1, herein.

Section 20. "Owner" shall mean and refer to the person or persons or other legal entity or entities holding fee simple interest of record to any Lot, including Declarant, but excluding those having such interests merely as security for the performance of an obligation.

Section 21. "Person" shall mean a natural individual or any other entity with the legal right to hold title to real property.

Section 22. "Plat" shall mean the Plat of Kensington North, recorded in Plat Book 151 at Page 25 of the Public Records of Broward County, Florida.

Section 23. "Property" or "Properties" shall mean all the Property encumbered by this Declaration.

Section 24. "Rules" shall mean collectively the rules and regulations which the Board may promulgate or impose and thereafter modify, alter, amend, rescind and augment any of the same with respect to the use, operation and enjoyment of the Association and the Association's Common Facilities and any Improvements located thereon (including, but not limited to, establishing hour and manner of operation) and provided that such Rules shall not be in conflict with the provisions of the Declaration.

Section 25. "Turnover Date" shall mean the date defined in

All other capitalized terms not defined herein shall have the meaning ascribed to them, to the extent they are not in conflict with the provisions of this Declaration.

ARTICLE II.

GENERAL PLAN OF DEVELOPMENT

Section 1. The Community plan for development contemplates the construction of a residential community and the establishment of common areas intended to be available for the use and benefit of all of the residential community planned for development thereon all in the manner as, and subject to the reservations of rights, set forth in this Declaration. Among other things, the Declaration (a) requires the Association to maintain and care for common properties defined as such thereunder; (b) compels membership in the Association by the Owners, among others; (c) provides for the promulgation of assessments and enforcement by lien of collection of payment therefor; (d) affords Owners of Lots constituting portions of the Properties a non-exclusive rights to the use and enjoyment of the common properties; (e) provides for the promulgation of maintenance assessments and enforcement by lien of collection of payment therefor; and (f) provides for various use restrictions.

Section 2. The real property which initially is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is located in Broward County, Florida, and is more particularly described in Exhibit "A" attached hereto.

Section 3. The Declarant, for a period of twenty (20) years, may from time to time bring other lands under the provisions hereof, or remove lands (Common Facilities, Lots or both) by recorded supplemental declarations (which shall not require the consent of Owners or the Association or any mortgagee) and thereby add to or delete from the Properties.

Section 4. Declarant reserves the right to make such changes or modifications to any plat or site plan as are required by appropriate governmental authorities or as Declarant deems necessary.

Section 5. Declarant's general plan of development for the Common Facilities shall include such facilities and amenities as Declarant considers in its sole judgment to be appropriate to and for the Properties. By way of example, but not limitation, such facilities may include mini-parks, entrance features, privacy walls, fences, security devices, landscape buffers, lakes, landscaping and street lighting.

Section 6 The Properties are also subject to that certain Declaration of Restrictions and Protective Covenants for Kensington North recorded in Official Records Book 27411, at Page of 151 Public Records of Broward County (the "WCI Declaration") the provisions of which shall control in the event of any inconsistency with the provisions hereof.

ARTICLE III.

MEMBERSHIP IN ASSOCIATION

Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Association. Any such person or entity who holds such interest merely as security for the performance of any obligation shall not be a Member of the Association.

**ARTICLE IV.
VOTING RIGHTS**

Section 1. CLASSES OF VOTING MEMBERSHIP. The Association shall have two (2) classes of voting Membership:

Class A: Class A Members shall be those Owners as defined in Article III above, with the exception of the Declarant who shall be a Class B member as provided below (as long as the Class B Membership shall exist, and thereafter, the Declarant shall be a Class A Member to the extent it would otherwise qualify). Except as provided below, Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for Membership in Article III, Section 1, above.

Class B: The Class B Member shall be the Declarant or its successor or assigns. The Class B Member shall be entitled to Ten (10) votes for each vote entitled to be cast in the aggregate at any time and from time to time by the Class A Members. The Class B Membership shall cease and become converted to Class "A" Membership on the happening of the earlier of the following events:

- (i) Within Ninety (90) days after title to Ninety (90) percent of all Lots have been conveyed by deed by the Declarant and such Lots have been conveyed to owner-occupants; or
- (ii) at any earlier time that the Declarant, in its sole discretion, voluntarily converts its Class "B" Membership to Class "A" membership; or
- (iii) on December 31, 2005.

Section 2. VOTE DISTRIBUTION. When more than one person holds such interest or interests in any Lot (such persons being referred to in this Section as "Co-Owners"), all such Co-Owners shall be members and may attend any meetings of the Association, but only one such Co-Owner shall be entitled to exercise the vote to which the Lot is entitled. Such Co-Owners may from time to time designate in writing -one of their number to vote as set forth in the By-Laws.

**ARTICLE V.
COVENANT FOR MAINTENANCE ASSESSMENTS**

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. Declarant, for each Lot now or hereafter owned by it hereby covenants, and each Owner of any Lot by acceptance of a deed therefor (or who accepts title thereto as an heir or devisee) whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association (a) Regular Assessments for Common Expenses, (b) Capital Assessments, and (c) Special Assessments; all of such assessments to be established and collected as hereinafter provided (whether or not the covenant or agreement is expressly mentioned in the deed or other instrument by which the person or entity acquired title). Such Assessments, together with any related interest, penalties, and costs of collection including reasonable attorneys' fees, shall be a charge on the Lot and shall be and constitute a continuing lien thereon. Each such Assessment, together with interest, penalties, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot against which the Assessment is made or on which the Assessment constitutes or gives rise to a Lien and, except as otherwise provided herein, the personal obligation Of his successors and assigns. If the Owner consists of more than one (1) person or entity, each such person or entity shall be jointly and severally liable for the aforementioned obligations. Subject to provisions of this Declaration protecting Institutional Mortgagees, the personal obligation for delinquent assessments shall pass with the Lot and successors-in-title to such Lot must pay the same at or before closing. The Board of Directors shall deposit all

collected in one or more accounts as it shall elect. Maintenance funds collected by Regular Assessments shall include monies for either a Common Facilities Reserve Fund for the replacement, repair, painting and other maintenance of the Common Facilities, or specific budgetary reserves therefor, to the extent necessary under the provisions of this Declaration. The Board shall not commingle any amounts deposited for such purposes with other funds received by it.

Section 2. PURPOSE OF REGULAR ASSESSMENTS. The Assessments imposed by this Article shall be used by the Association's for payment of Common Expenses and the promotion of the common health, safety, benefit, recreation, welfare and aesthetics of the Owners and the Improvements and maintenance of the Common Facilities as provided herein. Disbursements shall be made by the Board for such purposes as are deemed necessary for the discharge of its responsibilities herein for the common benefit of the Owners. Disbursements from Reserve Fund shall be made by the Board of Directors only for the specific purposes specified in this Article V.

Section 3. DATE OF COMMENCEMENT OF OBLIGATION FOR REGULAR ASSESSMENTS. Regular Assessments shall commence as to each Lot or Dwelling Unit on the date of the acceptance of a deed to such Lot or Dwelling Unit.

Section 4. BASIS AND MAXIMUM AMOUNT OF REGULAR ASSESSMENTS: DUE DATE.

(a) "Regular Assessments" shall mean all assessments for the purposes described in this Article V, Section 2. Until the Class "A" members assume control of the Association, the Assessments for all Class "A" members shall be established by the Declarant.

(b) Notwithstanding any other provision herein, until January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant, (the "First Anniversary Date"), the maximum annual general assessments shall be Six Hundred and No/100 Dollars (\$600.00) per Lot, plus amounts that may be assessed under Sections 5 and 6 herein.

(c) The Board may change the budget and level of Regular Assessments annually at a duly constituted meeting of the Board provided that written notice containing a copy of the newly adopted budget outlining the assessment change is sent to all members at least thirty (30) days in advance of the effective date of the adopted change as provided in the By-Laws. For each twelve month period thereafter commencing on the first day of January (hereinafter called an "Assessment Year"), the Regular Assessments may be adjusted by vote of the Board at a duly held meeting after giving proper notice as described above.

(d) At least thirty (30) days prior to the beginning of the Association's fiscal year, the Board shall prepare, or cause to be prepared, and distribute to the Members of the Association an itemized estimated operating budget of the expenses to be incurred by the Association during such coming year in performing its functions under this Declaration (provided that the failure to do so shall not impair the validity or enforceability of the assessments to be levied thereunder). The Assessments shall be based upon an estimated budget that includes reasonable reserves for deferred maintenance of improvements which the Board is responsible hereunder for maintaining and may (but need not) include reserves for other contingencies. The Board may provide in its absolute discretion that the Regular Assessments be payable either quarterly or monthly. Within a reasonable amount of time after the end of the Association's fiscal year, the Board shall prepare or cause to be prepared financial statements for the Association showing its actual receipts and expenditures for the

previous twelve (12) months in the classifications provided in the budget for such period, and shall cause to be distributed a copy of each such statement to each Member and to each Institutional Mortgagee who has filed a written request for copies of the same with the Board. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether the Assessments on a specified Lot have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 5. CAPITAL IMPROVEMENT ASSESSMENTS.

In addition to the Regular Assessments authorized above, the Board may levy, in any assessment year, a Capital Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any improvements, construction, reconstruction, repair or replacement of a capital improvement or other such addition to the Common Facilities, including fixtures and personal property related thereto.

Section 6. SPECIAL ASSESSMENT. Special (i.e. non-regular) assessments may at any time be levied by the Board upon all Owners to make up actual deficits or anticipated deficits in operating and maintenance accounts resulting from inadequate Regular assessments and may be levied against any Owner individually to collect a liability of that Owner to the Association that is not common to all the other Owners. Maintenance, repairs or replacements to the Common Facilities arising out of or caused by the willful or negligent act of an Owner, his family, guests, invitees or lessees shall be effected at said Owner's expense or a Special Assessment therefor shall be made against his Lot (unless proceeds of insurance are collected with respect thereto).

Section 7. UNIFORM RATE OF ASSESSMENTS. Assessments that are to be levied on all Owners shall be divided evenly among the Lots subject to Assessment. Nothing in this Section 7 shall be construed to require a Member, other than the Declarant to pay more than the maximum annual Regular Assessment in Section 4 above, except in accordance with that Article. Nor shall this Section 7 be construed to require a Member, other than the Declarant to pay more than his proportionate share (based on the total number of Lots under this Declaration) of the estimated operating budget for the year in question.

Section 8. DECLARANT'S ASSESSMENTS. Notwithstanding anything herein to the contrary, Declarant shall have the option, in its sole discretion, to (a) pay assessments on the Lots owned by it; or (b) not pay assessments on any Lots and in lieu thereof, fund any resulting deficit in the Association's operating expenses not collected by assessments from Owners other than the Declarant, which option may be selected and changed by the Declarant from time to time. The deficit to be paid under option (b) above, shall be the difference between (i) actual operating expenses of the Association (exclusive of capital improvement costs and reserves) and (ii) the sum of all monies received by the Association (including, without limitation, assessments, interest, late charges, and incidental income) and any surplus carried forward from the preceding years. When all Lots within the Properties are sold and conveyed to purchasers, neither the Declarant nor its affiliates shall have further liability of any kind to the Association for the payment of assessments, deficits or contributions. Nothing herein shall require an Owner (other than the Declarant) to pay more than the maximum annual Regular Assessment set forth in Section 4 above, or more than its proportionate share (based on the total number of Lots under this Declaration) of the estimated operating budget for the year in question.

Section 9. ASSOCIATION'S REMEDIES FOR NON-PAYMENT.

(a) Penalties for Delinquency. In the event any assessment is unpaid for more than ten (10) days after the date it is due, a late charge of ten percent (10%) of the amount of the assessment, or Ten Dollars (\$10.00), whichever is greater, for each month that the assessment remains unpaid, plus Interest set forth herein, from the due date until paid, shall be imposed upon the Lot of the Owner failing to pay the assessment to cover the Association's administrative costs and expenses in connection with the delinquency and not as a penalty. Nothing in this Section shall be construed to relieve an Owner of a Lot from the obligation to pay pursuant to this Declaration or eliminate any other remedy provided to the Association pursuant to this Declaration by reason of any past due assessments of any nature or description.

(b) Acceleration of Assessments. If any Owner is in default in the payment of any assessment owed to the Association for more than thirty (30) days after written demand by the Association, the Association, upon written notice to the defaulting Owner shall have the right to accelerate and require such defaulting Owner to pay to the Association, the Regular Assessments for the next twelve (12) month period, based upon the then existing amount and frequency of Regular Assessments. In the event of such acceleration, the defaulting Owner shall continue to be liable for any increases in the Regular Assessments, and for all other assessments payable to the Association.

(c) Lien for Assessments. The Association shall have a lien on each Lot for unpaid Assessments owed to the Association by the Owner of such Lot, and for late fees and interest, and for reasonable attorneys' fees, cost and expenses incurred by the Association incident to the collection of the assessment or enforcement of the lien, and all sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances in order to preserve and protect the Association's lien. The lien is effective from and after recording of a claim of lien in the Public Records of Broward County, Florida stating the legal description of the Lot, the name of the record Owner, and the amount due as of the recording of the claim of lien. A recorded claim of lien shall secure all sums set forth in the claim of lien, together with all future and further assessments or other monies owed to the Association by the Owner until the lien is satisfied. The lien is in effect until all sums secured by it have been fully paid or until the lien expires, as provided by law. Upon payment in full of all sums secured by the lien, the person making the payment is entitled to a satisfaction of the lien.

(d) Enforcement of Lien. The Association may bring an action in its name to foreclose any lien on a Lot in the manner in which mortgages of real property are foreclosed in Florida and may also bring an action to recover a money judgment for unpaid Regular or other assessments with interest thereon (plus all costs and expenses provided for in Section 10 of this Article), without waiving any claim of lien, provided that in either case the Association must give the delinquent Owner at least ten (10) days' written notice of its intentions. The Board is authorized to settle and compromise the Association's lien if the Board deems a settlement or compromise to be in the best interest of the Association. Upon the timely curing of any default (including the payment of interest, fees and costs secured by the Association's lien) for which a claim of lien was filed, the Owner curing the default is entitled to have a satisfaction of lien.

(e) Attorneys' Fees and Other Costs of Enforcement. Attorneys' fees incurred by the Association or its agent, incident to the collection of an unpaid assessments or the enforcement of any lien provided for herein (including attorneys' fees in connection with any review of a judicial or administrative proceeding through appeal or otherwise), together with all sums

advanced and paid by the Association or its agent for taxes and payments on account of superior liens or encumbrances that may be required to be advanced by the Association or its agent in order to preserve and protect its lien, shall be payable by the Owner liable for the assessment and be secured by the Association's lien.

(f) Status of Transferees. No person or entity that acquired title to a Lot as a result of a foreclosure of an Institutional Mortgage or any bona fide Institutional Mortgagee of record that accepts a deed to a Lot in lieu of foreclosing an Institutional Mortgage of record shall not be liable for the share of Regular or other assessments pertaining to that Lot chargeable to the former Owner thereof which became due prior to its acquisition of title, unless such share is secured by a claim of lien for assessments recorded prior to the recording of the mortgage in question. Any such shares of assessments for which the new Owner is not liable shall be collectible by assessments from all the Owners, including the new Owner of the Lot in question. Except as expressly provided hereinabove, every grantee in a conveyance of a Lot shall be jointly and severally liable for all unpaid assessments against the grantor for his share of the Assessments up to the time of the conveyance. Each and every Owner, including purchasers at a judicial sale, shall be liable for all Regular or other assessments coming due while he is the Owner of a Lot, regardless of how his interest was acquired.

(g) Suspension of Voting Rights. In the event that any Member has failed to pay his Regular Assessments for a period in excess of Ninety (90) days, the Association shall have the right, without a hearing, to suspend the voting rights of such Member, until such time as such Member is current on the payment of his Regular Assessments. The Board shall send to such Member thirty (30) days prior to its suspension of a Member's voting rights, written notice of its intentions to suspend such Member's voting rights, unless within such period, the Member pays his delinquent Regular Assessments, in full.

(h) Cumulative Remedies. The remedies provided in this Section 9 shall be cumulative but shall not be exclusive.

Section 10. ASSOCIATION'S CERTIFICATE. Each Owner of a Lot and every holder of an Institutional Mortgage thereon shall have the right to obtain from the Association a certificate showing the amount of unpaid Assessments against the Owner with respect to his Lot upon payment to the Association of a reasonable fee not exceeding Fifty Dollars (\$50.00). Any person other than the Owner of the Lot in question who relies upon such a certificate shall be protected thereby.

Section 11. SUBORDINATION. The lien of the Association on any Lot provided for in this Article shall be subordinate to the lien of any Institutional Mortgage on that Lot made in good faith and for value and recorded before a claim of lien is filed under this Article with respect to that Lot.

Section 12. WORKING CAPITAL FUND.

At the time the Declarant sells and closes each Lot to each purchaser, such purchaser shall deposit with Association, in an amount determined by the Declarant. Said amount shall be for the purpose of initially funding a reserve established by the Association for making purchases for the improvements to the Common Facilities. In addition, the Working Capital Fund may be used for emergency repairs or to make deposits required by utility companies, or otherwise required by the Articles, Bylaws or the Board. Notwithstanding anything herein to the contrary, the Working Capital Fund shall not be used for operating funds. Further, the Working Capital Fund shall not be used by the Association for purposes of litigation at both the trial level or the appellate levels in any court of competent jurisdiction. The

Working Capital Fund shall be paid by the Owners, other than the Declarant, in addition to the Regular, Capital or Special Assessments. The Working Capital Fund shall only be paid once for each Lot in the Properties and shall never be required of the Declarant.

ARTICLE VI.

OWNERSHIP, MAINTENANCE AND REPAIR OBLIGATIONS OF COMMON FACILITIES AND LOTS

Section 1. OWNERSHIP. The Common Facilities within the Properties submitted to this Declaration, are hereby dedicated non-exclusively to the joint and several use in common of the Declarant and the Owners of all Lots that may from time to time constitute part of the Properties and all Members and their permittees and the Declarant tenants, guests and invitees, all as provided and regulated herein or otherwise by the Association. The Common Facilities shall, prior to the date when the first Lot within the Properties has been conveyed to a purchaser for occupancy of a Dwelling Unit (or at any time and from time to time sooner at the sole discretion of the Declarant, be conveyed by quit claim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date this Declaration is recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Facilities (whether or not then conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of Broward County, Florida. It is intended that all real estate taxes assessed against the portion of the Common Facilities owned or to be owned by the Association shall be (or have been, because the purchase prices of the Lots and Dwelling Units have already taken into account their proportionate shares of the values of the Common Facilities) proportionally assessed against and payable as part of the taxes of the applicable Lots within the Properties. In the event that any such taxes are assessed directly against the Common Facilities, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date this Declaration is recorded, and such taxes shall be prorated between the Declarant and the Association as of the date of such recordation. Declarant and its affiliates shall have the right from time to time to enter upon the Common Facilities and other portions of the Properties (including, without limitation, Lots and Dwelling Units) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion, and/or alteration of any improvements or facilities on the Common Facilities or elsewhere on the Properties that Declarant and its affiliates or designee elect to effect, and to use, without charge, the Common Facilities and other portions of the Properties for sales, displays and signs or for any other purpose during the period of construction and sale of any portion of the Properties. Without limiting the generality of the foregoing, the Declarant and its affiliates shall have the specific right to maintain upon any portion of the Properties sales, administrative, construction or other offices and exclusive and nonexclusive easements of access and use are expressly reserved unto the Declarant and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Facilities shall, at all times, be subject and subordinate to these rights and easements and to the above referenced activities. Accordingly, the Declarant shall not be liable for delays in such completion to the extent resulting from the need to finish the above-referenced activities prior to such completion.

Section 2. MAINTENANCE OF COMMON FACILITIES AND OTHER PROPERTY. The Association shall maintain all Common Facilities and property owned by the Association, and all improvements and

landscaping thereon, in good condition at all times. In addition, the Association shall have the right to assume the obligation to operate or maintain any property which is not owned by the Association, if the Board, in its sole discretion, determines that the operation or maintenance of such property by the Association would be in the best interests of the Owners. In such event, the Association shall so notify any Owner otherwise responsible for such operation or maintenance, and thereafter such property shall be operated or maintained by the Association and not by the Owner until the Board determines not to continue to assume the obligation to operate or maintain such property and so notifies the Owner in writing. Without limitation, the Association shall have the right to assume the obligation to operate or maintain any walls on or near the boundaries of the Property, and any pavement, landscaping, sidewalks, paths, signs entrance features, or other improvements in or within forty (40) feet of any access easements or rights-of-way within or contiguous to the boundary of the Property. To the extent the Association assumes the obligation to operate or maintain any portion of the Properties which is not owned by the Association, the Association shall have an easement and right to enter upon any such portion of the property in connection with the operation or maintenance of same and no such entry shall be deemed a trespass. The Association may also enter into agreements with any other person or any governmental authority to share in the maintenance responsibility of any property if the Board, in its sole and absolute discretion, determines this would be in the best interests of the Owners. Notwithstanding the foregoing, if any Owner or any resident of any Lot, or their agents, contractors, guests or invitees, damages any of the Common Facilities or any improvement thereon, the Owner of such Lot shall be liable to the Association for the cost of repair or restoration to the extent not covered by the Association's insurance.

Section 3. LANDSCAPE MAINTENANCE. Without limiting the foregoing, the Association may at its option, maintain all landscaping within or along any access easement or right of-way within or contiguous to the boundary of the Property.

Section 4. BY THE OWNERS.

(a) **Maintenance of Lots and Dwelling Unit.** With respect to Lots, each Owner shall be responsible for maintaining all aspects of the Lot, including but not limited to, fences located on a Lot, if any, and the grounds and landscaping upon each Lot, including the cutting and maintenance of lawns and landscaping and the maintenance of the swales located between the Lot and the road. Each Owner shall be responsible for maintaining any sprinkler system installed by Declarant on such Owner's Lot. With respect to the Dwelling Unit, each Owner shall be responsible for keeping the interior and exterior of his Dwelling Unit in a clean, safe and orderly condition and in good repair. Each Owner shall be responsible for the maintenance, replacement or repair of the roof, all doors, windows, screens and other portions of his Dwelling Unit. Such responsibilities shall also include the maintenance, repair or replacement of all appliances, including the air conditioning and heating unit servicing such Dwelling Unit.

(b) **Failure to Perform.** If an Owner fails to comply with the foregoing provisions of this Section 4, upon Fifteen (15) days prior written notice to the Owner, the Association may enter upon the Lot to remedy any unsightly condition and/or comply with the requirements required herein and make such improvements or corrections as may be necessary. Entry upon the Lot for such purposes shall not constitute a trespass. Any cost incurred by the Association shall be borne by and shall be Special Assessed against such Owner and shall be payable as provided in Article V.

Section 5. EASEMENTS. Each of the following easements is hereby created in favor of the Association, the Declarant, the builder and the other persons designated in the respective

subsections below, which shall run with the land and, notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended uses and purposes, and each shall survive the termination of this Declaration.

(a) Easements for Pedestrian and Vehicular Traffic. Easements exist for pedestrian traffic over, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist upon the Common Facilities and sidewalks within Lots and abutting roads or streets and be intended for such purpose; and for pedestrian and vehicular traffic and parking over, through, across and upon such portion of the Common Facilities as may from time to time be paved and intended for such purposes, same being for the use and benefit of the Owners and the residents of the Property and their guests and invitees, the holders of any mortgage encumbering any Lot, and any permitted user.

(b) Perpetual Nonexclusive Easement in Common Facilities. The Common Facilities will be, and the same are hereby declared to be, subject to a perpetual nonexclusive easement in favor of all Owners and residents of the Properties from time to time, and their guests and invitees, for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended.

(c) Service and Utility Easements. Easements exist in favor of governmental and quasi-governmental authorities, utility companies, cable television companies, ambulance, fire and emergency vehicle services, and mail carrier companies, over and across all roads existing from time to time within the Properties, and over, under, on and across those portions of the Properties designated for such purposes by the Declarant and the Association. Easements shall exist as may be required for the installation, maintenance, repair, replacement and providing of utility services equipment and fixtures in order to adequately serve the Properties or any Lot, including, but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage, television antenna, cable television facilities, and electronic security. An Owner shall do nothing on his Lot which interferes with or impairs the easements referenced herein or the utility services use of these easements. The Board or its designee shall have a right of access to each Lot to inspect, maintain, repair or replace the utility service facilities contained under the Lot and to remove any improvements interfering with or impairing the utility services or easement herein reserved, provided such right of access shall not unreasonably interfere with the Owner's permitted use of the Lot.

(d) Encroachments. If any portion of the Common Facilities encroaches upon any Lot; if any Dwelling Unit encroaches upon any other Lot, or upon any portion of the Common Facilities; or if any encroachment shall hereafter occur as a result of (i) construction or reconstruction of any improvements; (ii) settling or shifting of any improvements; (iii) any addition, alteration or repair to the Common Facilities made by or with the consent of the Association; (iv) any repair or restoration of any improvements (or any portion thereof) or any Dwelling Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Dwelling Unit or the Common Facilities; or (v) any non-purposeful or non-negligent act of an Owner except as may be authorized by the Board, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the improvements shall stand.

(e) Utility and Drainage Easements. Easements for purposes of installing and maintaining utility lines have been granted by the Plat parallel to and abutting the front and rear property lines of each Lot to Florida Power & Light, Southern Bell,

The City of Coral Springs, and other utility companies. Separate instruments of conveyance may be granted by Declarant to further evidence such easements. Certain drainage easements are hereby granted to the North Springs Improvement District in, over, under and across those areas of those certain lots on the Water, Sewer, Paving and Drainage Plans for Parkwood at Kensington. Easements are hereby granted for rear yard drainage in, the rear of each Lot and catch basins and other drainage structuring are hereby permitted to remain and be replaced within all Lots for such rear yard drainage.

(f) Additional Easements. Declarant (so long as it owns any Lots or Parcels) and the Association, on their behalf and on behalf of all Owners, each shall have the right to (i) grant and declare additional easements over, upon, under and/or across the Common Facilities in favor of the Owners and residents of the Properties and their guests and invitees, or in favor of any other person, entity, public or quasi-public authority or utility company, (ii) supplement or more clearly identify the easements delineated in this Declaration by future instruments (whether before or after conveyance of the particular Lot affected by the easement), or (iii) modify, relocate, abandon or terminate existing easements within or outside of the Properties in favor of the Association or the Owners and residents of the Properties and their guests and invitees or in favor of any Person, public or quasi-public authority, or utility company, as the Declarant or the Association may deem desirable for the proper operation and maintenance of the Properties, or any portion thereof, or for the health, safety or welfare of the Owners, or for any other reason or purpose. So long as such additional easements, or the modification, relocation or abandonment of existing easements will not unreasonably and adversely interfere with the use of Lots for dwelling purposes, no joinder of any Owner or any mortgagee of any Lot shall be required or, if same would unreasonably and adversely interfere with the use of any Lots for dwelling purposes, only the joinder of the Owners and Institutional Mortgagees of the Lots so affected shall be required. To the extent required, all Owners hereby irrevocably appoint Declarant and/or the Association as their attorney-in-fact for the foregoing purposes.

(g) Members' Easements. Each Member, and each Member's Permittee, shall have a non-exclusive permanent and perpetual easement over and upon the Common Facilities for the intended use and enjoyment thereof in common with all other such Members, Member's Permittees, their agents and invitees, but in such manner as may be regulated by the Association. Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(i) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Facilities and any improvements located thereon in compliance with the provisions of this Declaration.

(ii) The right of the Association to suspend the Member's (and his Member's Permittees') right to use the Common recreational Facilities for any period during which any assessment against his Lot remains unpaid for more than thirty (30) days; and for a period not to exceed sixty (60) days for any infraction of this Declaration or the Association's lawfully adopted rules and regulations.

(iii) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Facilities. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(iv) The right to the use and enjoyment of the

common facilities and improvements thereon shall extend to all members' permittees subject to regulation from time to time by the Association as set forth in its lawfully adopted and published rules and regulations.

(v) The right of Declarant to permit such persons as Declarant shall designate to use the Common Facilities.

(vi) The right of Declarant and the Association to have, grant and use general ("blanket") and specific easements over, under and through the Common Facilities.

(vii) The right of the Association, by the affirmative vote of Seventy Five (75%) percent of the entire membership, to dedicate or convey portions of the Common Facilities to any other association having similar functions, or any public or quasi-public agency, Community Development District or similar entity under such terms as the Association deems appropriate and to create or contract with the other association, Community Development District and special taxing district for lighting, roads, recreational or other services, monitoring, or communications and other similar purposes deemed appropriate by the Association to which such dedication or contract all Owners, by the acceptance of the deeds to their Lots, shall be deemed to have consented; no consent of any other party, except Declarant, being necessary.

ARTICLE VII.

USE RESTRICTIONS AND RULES.

All of the Properties shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant as set forth in this Article:

Section 1. GENERAL. The Board may, from time to time, without consent of the Members promulgate, modify, or delete use restrictions and rules and regulations applicable to the Lots and the Common Facilities. The Board shall also have the authority to impose all necessary parking regulations and to restrict the maximum noise levels of vehicles within the Properties. Such regulations and use restrictions shall be binding upon all Owners.

Section 2. USE OF LOTS. All Lots shall be used solely for single-family residential purposes. No trade, profession, commercial, business or business activity shall be carried on or upon any Lot at any time without the prior written consent of the Association, which consent may be withheld for any reason. Leasing of a Dwelling Unit or a Lot for residential purposes shall not be considered a business or business activity.

Section 3. VEHICLES.

(a) No airplanes are permitted. No commercial vehicles (defined as those vehicles with writing, signage, names and/or phone numbers on the vehicle describing its type of business or business name), buses, boats, house trailers, boat trailers, other trailers, mobile homes, recreational vehicles, or campers, are permitted to be parked or to be stored any place on a Lot except (i) wholly within an enclosed garage; (ii) within areas, if any, specifically designated by the Association; (iii) during construction of improvements and repair work thereon for no more than twelve (12) hours, unless Declarant or the Board gives its prior written consent for a longer time period; or (iv) for delivery or pick-up.

(b) The Board is specifically authorized to promulgate additional rules and regulations pertaining to parking, and the Board is specifically granted by this Declaration the right to enforce this Declaration and the rules and regulations of the Board pertaining to parking by authorizing and directing, or contracting

with, a duly licensed towing company for the towing of vehicles which are in violation of the parking regulations.

Section 4. LEASING AND TIME-SHARING. Lots may be leased for residential purposes. No "Time-Sharing Plan" (as defined in Section 721.05 of the Florida Statutes) or any similar plan shall be permitted for any Dwelling Unit.

Section 5. OCCUPANTS BOUND. All provisions of the Declaration and of any rules and regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants of any Lot.

Section 6. ANIMALS AND PETS. No animals, reptiles, wildlife, livestock, or poultry of any kind may be raised, bred or kept on any Lot for any commercial purpose. Further, no animals or pets of any kind shall be permitted to become a nuisance or annoyance to any neighbor by reason of barking or otherwise. Dogs which are household pets shall at all times whenever they are outside the Owner's Lot be confined on a leash. Pets shall only be permitted on the Common Facilities if such portions thereof are so designated by the Board. All persons bringing a pet onto the Common Facilities shall be responsible for immediately removing any solid waste of such pet.

Section 7. NUISANCE. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition of his Lot. No Lot shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on or upon any Lot, nor shall anything be done thereon tending to cause discomfort, to any property adjacent to the Lot. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment to the Properties. Any activity on a Lot which interferes with television, cable, radio or other electronic reception on another Lot shall be deemed a nuisance and a prohibited activity.

No hazardous or toxic substances, chemicals, pesticides, fertilizer or any other matter shall be placed on any portion of the Properties. Fertilizers and pesticides shall be used on Lots and Common Facilities only in a reasonable manner and only for the purpose for which such products are intended. Owners shall take strict precautions to prevent fertilizers and pesticides from entering any surface water management system of the Properties.

In the event of a dispute or question as to what may be or become a nuisance such dispute or question shall be submitted to the Board, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

Section 8. UNSIGHTLY OR UNKEMPT CONDITIONS. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Properties.

Section 9. ARCHITECTURAL CONTROL.

(a) No building or other structure or improvement of any

nature (including, but not limited to, pools, screen enclosures, patios or patio extensions, hedges, other landscaping, exterior paint or finish, awnings, antennae or satellite or microwave dishes, shutters, hurricane protection, basketball hoops, swing sets or play equipment, decorative plaques or accessories, birdhouses, other pet houses, swales, asphaltting, sidewalk/driveway surfaces or treatments or other improvements or changes of any kind, even if not permanently affixed to the land or to other improvements shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Architectural Control Board have been approved, if at all in writing by the Architectural Control Board and all necessary governmental permits are obtained. Fences, walls and similar improvements shall be governed by Section 27 below. Conversions of garages to living space or other uses are hereby prohibited, even though same are not readily apparent from the exteriors of a Lot.

(b) Each building, wall, fence (if any) or other structure or improvement of any nature, together with landscaping, shall only be erected, placed or altered upon the premises in accordance with the plans and specifications and plot plan so approved and in accordance with applicable governmental permits and requirements. Refusal of approval of plans, specifications and location plans, or any of them, may be based on any grounds, including purely aesthetic ones, which in the sole and absolute discretion of said Architectural Control Board are deemed sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of screen enclosures, doors, windows, patios or patio extensions, hedges, landscaping, exterior paint or finish, awnings, shutters, hurricane protection, basketball hoops, swing sets or play equipment, decorative plaques or accessories, birdhouses, other pet houses, swabs, asphaltting, and/or sidewalk/driveway surfaces or treatments shall be deemed an alteration requiring approval.

(c) The Architectural Control Board shall be a committee appointed by the Declarant for so long as it owns any portion of the Properties, and thereafter, a committee appointed by the Board. Absent such appointment, the Board shall serve in such capacity. The Architectural Control Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this Section 9. A majority of the Board may take any action the Board is empowered to take, may designate a representative to act for the Board and may employ personnel and consultants to act for it.

(d) The Architectural Control Board shall act on all necessary required plans within forty-five (45) days after the submission (and all further documentation required by it), if the board does not act within said forty-five (45) days, the request shall be deemed approved. No request for approval shall be valid or require any action unless and until all Assessments on the applicable Lot (and any interest and late charges thereon) have been paid in full.

(e) In the event that any new improvement or landscaping is added to a Lot, or any existing improvement on a Lot is altered, in violation of this Section, the Association shall have the right (and an easement and license) to enter upon the applicable Lot and remove or otherwise remedy the applicable violation after giving the Owner of the Lot at least ten (10) days prior written notice of said violation and opportunity to cure the violation in question. The costs of such remedial work and a surcharge of a minimum of \$25.00 (but in no event more than thirty-five percent (35%) of the aforesaid costs) shall be a Special Assessment against the Lot, which assessment shall be payable upon demand and secured by the filing of a claim of lien for assessments as provided for in this

Declaration.

(f) The approval of any proposed improvements or alterations by the Architectural Control Board shall not constitute a warranty or approval, and neither the Association nor any member or representative of the Architectural Control Board or the Board shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor, as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and identify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alteration.

(g) The Architectural Control Board may, but shall not be required to require that any request for its approval be accompanied by the written consent of the Owners of the Lots [up to five (5)] adjoining or nearby the Lot proposed to be altered or further improved as described in the request.

(h) The foregoing provisions shall not be applicable to Declarant or its affiliates or designees.

Section 10. ANTENNAS, AERIALS, SATELLITE DISHES AND FLAGPOLES. No exterior antennas, aerials or satellite reception dishes of any kind shall be placed, allowed, or maintained upon any portion of a Lot or Dwelling Unit without the prior written approval of the Architectural Control Board. No satellite dishes shall be permitted unless the design and location on the Lot are first approved by the Architectural Control Board, whose approval shall require appropriate landscaping and or other screening. No more than one (1) flagpole per Lot for the display of the American flag shall be permitted and the flagpole design and location shall first be approved by the Architectural Control Board.

Section 11. LANDSCAPING AND PLAY EQUIPMENT.

(a) The Owner of each Lot containing a Dwelling Unit shall be required to maintain tasteful landscaping on his Lot, and on any contiguous property between his Lot and the pavement edge of any abutting road, all in accordance with Landscaping plans approved by the Association. All such landscaping shall be maintained by the Owner in first class condition and, as reasonably required, mowing, watering, trimming, fertilizing, and weed, insect and disease control shall be performed by the Owner. All landscaped areas shall be primarily sodded with grass and shall not be paved or covered with gravel or any artificial surface without the prior written consent of the Association. All dead or diseased sod, plants, shrubs or flowers shall be promptly replaced, and excessive weeds, underbrush or unsightly growth shall be promptly removed.

(b) Should an Owner fail to adequately maintain the landscaping requirements imposed by this Declaration after fifteen (15) days notice to do so by the Association, the Association shall have the right to perform such maintenance and to assess such Owner for the cost of maintenance of the landscaping, and to place a lien upon the Lot upon the Owner's failure to pay the amount of the assessment.

Section 12. TREE REMOVAL. No trees which are left on the Lot at closing shall be removed without the express consent of the Association, except for (a) diseased or dead trees; and (b) trees needing to be removed to promote the growth of other trees. In the event of an intentional or unintentional violation of this Section, the violator may be required by the Board to replace the removed tree with one (1) or more trees of such size, and in such locations

as the Board may determine in its sole discretion.

Section 13. SPRINKLER SYSTEM. A sprinkler system for irrigation, if any, shall be an automatic underground sprinkler system.

Section 14. DRAINAGE. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner of any Lot may obstruct or rechannel the drainage flows after installation of drainage swales, storm sewers, or storm drains are located.

Section 15. BASKETBALL EQUIPMENT, CLOTHESLINES, AND WOODPILES, ETC. Basketball hoops and backboards shall be permitted on a Lot, if approved by the Architectural Control Committee prior to installation. All garbage cans, woodpiles, permanent affixed swimming pool equipment and housing, dog houses and other similar items shall be located behind the rear line of the Dwelling Unit and screened so as to be concealed from view of neighboring Lots, streets, and property located adjacent to the Lot. No structure shall be constructed without the prior written approval of the Architectural Control Committee.

Section 16. SUBDIVISION OF LOT. No Lot shall be subdivided or its boundary lines changed except with the prior written approval of the Board. Declarant, however, reserves the right to replat or subdivide or combine any Lot or Lots. Any such division, boundary line change, or replatting shall comply with the applicable subdivision and zoning regulations.

Section 17. GUNS. The use of firearms on the Properties is prohibited. The term firearms includes "B-B" guns pellet guns, and small firearms of all types.

Section 18. SOLAR DEVICES. No artificial or manmade device which is designed or used for collection of or heating by solar energy or other similar purposes shall be placed, allowed, or maintained upon any portion of a Lot or Dwelling Unit, without the prior written consent of the Architectural Control Board or its designee.

Section 19. LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes, or as a related garage, if applicable. No building shall be erected, altered, placed or permitted to remain on any Lot other than one Unit. Temporary uses by Declarant and its affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such uses, shall be permitted until the permanent cessation of such uses takes place. No changes may be made in buildings erected by Declarant or its affiliates (except if such changes are made by Declarant) without the consent of the Architectural Control Board.

Section 20. OPENING BLANK WALLS; REMOVING FENCES. Without limiting the generality of Section 9 of this Article, no Owner shall make or permit any opening to be made in any blank wall (except as such opening is initially installed) or masonry wall or fence. Further, no such building wall or masonry wall or fence, if any, shall be demolished or removed without the prior written consent of Declarant (so long as it owns any portion of the Properties) and the Architectural Control Board. Declarant shall have the right, but not be obligated, to assign all or any portion of its rights and privileges under this Section to the Association.

Section 21. TEMPORARY STRUCTURES; GAS TANKS; OTHER OUTDOOR EQUIPMENT. Except as may be approved or used by Declarant during construction and/or sales periods, no structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within the Properties at

any time or used at any time as a residence, either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Dwelling Unit or on or about any ancillary building, except for gas tanks which are used for swimming pool heaters which are screened from view, one (1) gas cylinder (not to exceed 20 lbs. capacity) connected to a barbecue grill and/or such other tank as is designed and used for household purposes and approved by the Architectural Control Board. Any outdoor equipment such as, but not limited to, pool pumps and water softening devices shall be completely screened from the view of anyone not standing on the Lot by the use of landscaping or other means (in any event, as approved by the Architectural Control Board); provided, however, that the use of such screening shall not obviate the requirement that the installation of any such equipment nevertheless be approved by the Architectural Control Board.

Section 22. SIGNS. No sign of any kind shall be displayed to the public view on any Lot, Dwelling Unit, structure, vehicle, or window (or be visible through any window on a Lot from any location off the Lot), unless the placement, character, form, color, size and time of placement of such signs are first approved by the Architectural Control Board. Said signs must also conform to local regulatory codes and ordinances.

Section 23. OIL AND MINING OPERATION. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in the Properties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions.

Section 24. VISIBILITY AT INTERSECTIONS. No obstruction to visibility at street intersections or Common Area intersections shall be permitted; provided however, the Association shall not be liable in any manner to any person or entity, including Owners and Members Permittees, for any damages, injuries or deaths arising from any violation of this Section.

Section 25. PARKING ON COMMON AREAS AND LOTS/GARAGES. No vehicles of any type shall be parked on any portion of the Common Areas (including roadways) except to the extent, if at all, on portion(s) of the Common Areas specifically designated for such purposes. All Owners and Members Permittees shall use at least one (1) space in their respective garages for the parking of a vehicle. In the event that such a party keeps a boat on a trailer (or some other vehicle or trailer) in the party's garage, the other space shall still be used for vehicular parking. Garage doors shall be kept closed at all times, except when in actual use and during reasonably limited periods when the garage is being cleaned or other activities are being conducted therefrom which reasonably require the doors to be left open. No parking shall be permitted on any portion of a Lot, except in driveway and garage.

Section 26. GARBAGE AND TRASH DISPOSAL. No garbage, refuse, trash or rubbish (including materials for recycling) shall be placed outside of a Dwelling Unit, except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company for disposal or collection of waste shall be followed. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition, and if stored outside of the Dwelling Unit same shall be at all times, be adequately screened by hedges or otherwise. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within a reasonable period after collection. In the event that an Owner or occupant of a Lot

keeps containers for recyclable materials thereon, same shall be deemed to be refuse containers for the purposes of this Section.

Section 27. FENCES, WALLS AND HEDGES. A Lot Owner may erect a fence of material approved by the Architectural Control Board along the rear and side yards (but no closer to the front of the Lot than ten feet behind a line which is parallel to the front line of the dwelling) as long as fence conforms with the plans prepared by Declarant for the model homes at Parkwood at Kensington or is approved by the Architectural Control Board, and satisfies the following conditions: Any part of a fence on a side yard which faces a street cannot exceed four feet (4') in height and must have a hedge of fichus, hibiscus or orange jasmine planted on the street side of the fence at all times, including at time of installation of the fence. Any fence in a front yard must be no more than five feet (5) in height and must have a hedge of fichus, hibiscus or orange jasmine planted on the street side by the fence at all times, including at time of installation of the fence. Any other hedge material must be approved in writing by the Architectural Control Board. In the rear yard and any side that does not face a street, the fence cannot exceed five feet (5') in height. Each Lot Owner shall be required to maintain any hedge and/or fence located upon his Lot in good condition. If this fence or hedge is not properly maintained, the Association shall have the right to perform the maintenance of same (after having given the Lot Owner at least fifteen (15) days written notice) and charge the Owner for the cost of such maintenance described herein in accordance with the terms of the Declaration.

Section 28. NO DRYING. No clothing, laundry or wash shall be aired or dried on any portion of the Properties, except on a portion of a Lot which is completely screened from the view of all persons other than those on the Lot itself.

Section 29. DRIVEWAY AND SIDEWALK SURFACES. No Owner shall install on a Lot, and the Architectural Control Board shall not approve, any sidewalk or driveway which has a surface material and/or color which is different from the materials and colors originally used or approved by the Declarant unless the Declarant or the Board waives this requirement in writing. Further, no Owner shall change any existing sidewalk or driveway in a manner inconsistent with this Section.

Section 30. ARTIFICIAL VEGETATION. No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot without the prior approval of the Architectural Control Board.

Section 31. MAILBOXES. All mailboxes shall be of the same type as that originally installed by the Declarant or approved by the Architectural Control Board.

Section 32. EFFECT ON DECLARANT: SELECTIVE RELIEF. The restrictions and limitations set forth in this Article shall not apply to Declarant or to Dwelling Units owned by the Declarant. Declarant shall specifically be exempt from any restrictions which interfere in any manner whatsoever with Declarant's plans for the development construction, sale, lease or use of the Lots and to the Improvements thereon. Specifically and without limitation, Declarant and any other participating builder shall have the right to: (a) construct any buildings or improvements within the Properties, and make any additions, alterations, improvements or changes thereto; (b) maintain customary and usual sales, general office and construction operations on the Properties; (c) place, erect or construct portable, temporary or accessory buildings or structures upon the Properties for sales, construction, storage or other purposes; (d) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of the Properties; (e) post, display, inscribe or affix to the exterior of a Dwelling Unit or upon the

Properties, signs and other materials used in developing, constructing, selling or promoting the Properties; and (f) grow plants and trees upon the Properties for later use and sell excess plants and trees. Declarant shall be entitled to injunctive relief for any actual or threatened interference with its rights under this Article VII, in addition to whatever remedies at law it might be entitled to. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from the provisions of specific restrictions contained in this Article VII for good cause shown.

Section 33. INSURANCE RATES. Nothing shall be done or kept on the Lots or Improvements thereon which will increase the rate of insurance on any property insured by the Association without the approval of the Board; nor shall anything be done or kept on the Lots or Improvements thereon which would result in the cancellation of insurance on any property insured by the Association.

Section 34. RULES AND REGULATIONS. The Board may adopt reasonable rules and regulations relating to the use and maintenance of the Lots, Common Facilities and other Property. Copies of such rules and regulations and amendments shall be furnished by the Association to any Owner upon request.

ARTICLE VIII. INSURANCE

Section 1. COMMON FACILITIES. The Association shall keep the Common Facilities and all fixtures and personal property located therein or thereon insured against loss or damage by fire for the full insurable replacement cost thereof and flood insurance in the maximum amount allowed by law, if necessary or required and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the Owner and beneficiary of such insurance. The insurance coverage with respect to the Common Facilities shall be written in the name of the Association and the proceeds thereof shall be payable to it. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses to be included in the Regular Assessments made by the Association

Section 2. REPLACEMENT OR REPAIR OF PROPERTY. In the event of damage to or destruction of any part of the Common Facilities, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Capital Assessment against all Dwelling Units to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other Regular Assessments made against such Lots, in accordance with the provisions of Article VI of this Declaration.

Section 3. WAIVER OF SUBROGATION. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, Declarant, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by the negligence of, or breach of, any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 4. LIABILITY AND OTHER INSURANCE. The Association shall obtain comprehensive public liability insurance, including

medical payments and malicious mischief, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction. The policy or policies shall be written in an amount of not less than \$1,000,000.00 combined single limit coverage for bodily injury and \$1,000,000.00 for property damage; provided, however that, in the event the cost of a \$1,000,000.00 liability policy becomes prohibitive, the Association may obtain such lesser coverage as is reasonably practical under the circumstances. The Association may also obtain Workmen's Compensation insurance and other liability insurance as it may deem desirable, insuring each Owner and the Association, and Board of Directors from liability in connection with the Common Facilities, the premiums for which shall be Common Expenses included in the Regular Assessments made against the Lots. All insurance policies shall be reviewed at least annually by the Board and be increased or decreased in its discretion. The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board and any management company against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or on any committee thereof.

ARTICLE IX.

MORTGAGEE PROTECTION CLAUSE

Section 1. ADDITIONAL RIGHTS. In addition to all other rights herein set forth and with respect to Dwelling Units upon the Lots, Institutional Mortgagees shall have the following rights (and to the extent these provisions conflict with any other provisions of the Declaration, these provisions shall control):

(a) Each Institutional Mortgagee pursuant to an Institutional Mortgage encumbering any Lot upon which a Dwelling Unit is situated, at its written request, is entitled to written notification from the Association of any default by the mortgagor of such Lot in the performance of such obligations under this Declaration, the Articles or the By-Laws of the Association.

(b) Each Institutional Mortgagee pursuant to an Institutional Mortgage encumbering any Lot which obtains title to such Lot pursuant to the remedies provided in such mortgage by foreclosure of such mortgage or by deed in lieu of foreclosure shall take title to the Lot free and clear of any claims of unpaid assessments or charges against such Lot which accrued prior to the acquisition of title to such Lot by the Institutional Mortgagee provided that said Institutional Mortgage was recorded prior to the recording of a lien by the Association.

(c) Unless at least seventy-five percent (75%) of the Institutional Mortgagees (based upon one vote for each Lot upon which a mortgage is owned), and seventy-five percent (75%) of the Owners have given their prior written approval, neither the Association nor the Owners shall:

(i) by act or omission seek to sell or transfer the Common Facilities and the Improvements thereto which are owned by the Association; provided, however, that the granting of easements for utilities or for such other purposes consistent with the intended use of such property by the Association or the Declarant shall not be deemed a transfer within the meaning of this clause;

(ii) change the method of determining the obligations, Assessments, dues or other charges which may be levied against a Dwelling Unit;

(iii) fail to maintain fire and extended coverage on insurable portions of the Common Facilities on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurance value (based on current replacement

cost) less such reasonable deductions as the Board may deem appropriate;

(iv) use hazard insurance proceeds for losses to any Common Facility for other than the repair, replacement or reconstruction of such Facilities (or for reserves the repair, replacement or reconstruction of the Facilities); or

(v) amend this Declaration or the Articles or By-Laws in such a manner that the rights of any Institutional Mortgagee will be materially affected.

(d) Institutional Mortgagees shall at their sole cost and expense and upon written request to the Association have the right to (i) examine the books and records of the Association during normal business hours, including current copies of the Declaration and its exhibits, and current rules and regulations, if any, (ii) receive an unaudited financial statement of the Association within ninety (90) days after each of its fiscal years closes and, (iii) receive from the Association written notice of any meeting of the Association's membership and to attend any such meeting and (iv) receive timely written notice of casualty damage to or condemnation of any part of any Lot on which is a Dwelling Unit is situate and upon which it has a mortgage.

(e) All Institutional Mortgagees who have registered their names with the Association shall be given (i) thirty (30) days written notice prior to the effective date of any proposed, material amendment to this Declaration, the Articles or By-Laws; and (ii) immediate notice following any damage to the Common Facilities whenever the cost of reconstruction exceeds Ten Thousand Dollars (\$10,000.00), and as soon as the Board learns of any threatened condemnation proceedings or proposed acquisition of any portion of the Common Facilities.

ARTICLE X **EASEMENTS**

The Declarant and Declarant's Permittees shall have blanket easements, licenses rights and privileges of a right-of-way in, through, over, under and across the Lots, owned by Declarant for the purpose of completing construction, leasing and sale of Dwelling Units and, towards this end, Declarant reserves the right to grant and does hereby reserve easements and rights-of-way in, through, under, over and across the Lots owned by Declarant for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, employees, assigns and purchasers, also reserve the right to share, connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads of the Properties.

The Declarant and Declarant's Permittees shall have an easement in, on, over and across the Lots, in connection with the development of the Properties for (i) construction, installation, maintenance, ingress to and egress from and the right to use (including the right to use in common with other Lots Owners) and share and tap into all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cable television and other utility lines servicing or located on the Lots, provided such easement and use does not prevent or unreasonably interfere with the use of the Lots as intended, and (ii) to erect, maintain, repair and replace from time to time one or more signs on the Lots for the purposes of advertising the sale of Dwelling Units and the leasing of space in any such Dwelling Unit and for the purpose of advertising the sale of Dwelling Units which may be constructed by Declarant or its successors in

interest. Declarant, its successors, assigns, invitees, licensees, contractors and employees reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under, over and/or through the Lots to relocate any existing utility, sewer and drainage easements in any portion of the Lots to hook up to, join in with or share with any and all existing utilities, pipes, wires, and lines and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Declarant shall deem it necessary or desirable for the proper operation and maintenance of the Lots or for the general health or welfare of any Owner, provided that such additional utilities or the relocation of existing utilities or the sharing of such utilities will not prevent or unreasonably interfere with the use the Lots for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Lots, and the employees and agents of any such company or corporation, shall have the right of access to the Common Facilities in furtherance of such easements, provided such right of access is exercised in such a manner as not to unreasonably interfere with the use of any Dwelling Unit.

ARTICLE XI.

GENERAL PROVISIONS

Section 1. COVENANT RUNNING WITH THE LAND. All provisions of this Declaration shall, to the extent applicable and unless otherwise expressly herein provided to the contrary, be construed to be covenants running with the Lots, and with every part thereof and interest therein, and all of the provisions hereof shall be binding upon and enure to the benefit of the Declarant and subsequent Owner(s) of the Lots, or any part thereof, or interest therein and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public, unless specifically provided herein to the contrary. All present and future Owners and tenants and Occupants of the shall be subject to and shall comply with the provisions of this Declaration and such Articles, By-Laws and applicable rules and regulations as they may from time to time be amended. The acceptance of a deed or conveyance of a Lot or the entering into a lease of, or occupancy of any Dwelling Unit shall constitute an adoption and ratification by such Owner, tenant or occupant of the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations of the Association, as they may be amended from time to time, including, but not limited to, a ratification of any attorney-in-fact provision contained therein. In the event that any easements granted herein (or reservations of rights to grant further easements) shall fail for want of a grantee in being or for any other purpose, the same shall constitute and be covenants running with the land.

Section 2. DURATION. The covenants and restrictions set forth in this Declaration shall be effective for a term of thirty (30) years from the date the Declaration is recorded. After that time, they shall automatically be extended for successive periods of ten (10) years each unless an instrument has been recorded in which seventy-five percent (75%) of the then Owners and seventy-five percent (75%) of the holders of the then outstanding Institutional Mortgages agree by signing of a written instrument to revoke the covenants and restrictions in whole or in part; provided, however, that no such agreement shall be effective unless it is made and recorded at least three (3) years before the effective date of the change provided for in it and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days before any action is taken.

Section 3. ENFORCEMENT. This Declaration, the Articles and the By-Laws may be enforced by any Owner or by the Association as

follows:

(a) Breach of any of the covenants or restrictions contained in the Declaration, Articles or the By-Laws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings brought by any Owner, or, by the Association or the successors-in-interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, late charges, interest thereon, costs of collection and court costs.

(b) The result of every act or omission whereby any of the covenants or restrictions contained in this Declaration, the Articles or the By-Laws are violated in whole or in part is hereby declared to be a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any Owner, or by the Association or their successors-in-interest.

(c) The remedies herein provided for breach of the covenants or restrictions contained in this Declaration, the Articles or in the By-Laws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(d) The failure of the Association to enforce any of the covenants contained in this Declaration, the Articles or in the By-Laws shall not constitute a waiver of the Association's right to enforce the same thereafter.

Section 4. SEVERABILITY. Invalidation of any one of the provisions, covenants or restrictions contained in this Declaration by judgment or court order shall in no way affect any other covenants restrictions or provisions which shall remain in full force and effect.

Section 5. INTERPRETATION. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for development of a residential community and for the maintenance of community and Common Facilities. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

Section 6. AMENDMENTS TO DECLARATION.

(a) This Declaration may be amended only by the affirmative vote or written consent of the Members having not less than two-thirds (2/3) of the votes of Class A Members plus the affirmative vote or written approval of the Class B Member (so long as the Class B Membership exists). No amendment shall be permitted which changes the rights, privileges and obligations of the Declarant or any affiliate of the Declarant, or any participating builder without the prior written consent of whichever of them is affected. In addition, and without limiting the generality of the rights accorded the Class B Member in the preceding sentence, the Class B Member shall have an absolute right to make any amendments to this Declaration (without any other party's consent or joinder) to correct scriveners' errors, to clarify any ambiguities determined to exist herein, or that are requested or required by the Federal Government National Mortgage Association, Federal Housing Administration, Veterans Administration or any other governmental, quasi-governmental or government-chartered entity which owns or expects to own one or more mortgages on Lots within the Property or to insure the payment of one or more such mortgages

or that are requested or required by an Institutional Mortgagee to enhance the salability of its mortgages on Lots to one or more of the foregoing.

(b) No amendment shall discriminate against any Owner or class or group of Owners, unless the Owners so affected join in the execution of the amendment. No amendment shall change the number of votes of any Owner or increase any Owner's proportionate share of the Common Expenses, unless the Owners affected by such amendment join in the execution of the amendment. No amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to, Declarant, unless Declarant joins in the execution of the amendment.

Section 7. FHA/VA APPROVAL. If any mortgage encumbering any Lot or Parcel is guaranteed or insured by the Federal Housing Administration or by the Veterans Administration, then upon written demand to the Association by either such agency, the following action, if made by Declarant or a participating builder or if made while there is a Class B Membership, must be approved by either such agency: (a) any annexation of additional property; (b) any mortgage, transfer or dedication of any Common Facilities; (c) any amendment to this Declaration, the Articles or the By-Laws, if such amendment materially and adversely affects the general scheme of development created by this Declaration; provided, however, such approval shall specifically not be required where the amendment is made to add any property specifically identified in this Declaration, or to correct errors or omissions, or is required to comply with the requirements of any Institutional Mortgagee, or is required by any governmental authority; or (iv) any merger, consolidation or dissolution of the Association. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any such action to Declarant or to the Association within twenty (20) days after a request for such approval is delivered to the agency by certified mail, return receipt requested, or equivalent delivery, and such approval may be conclusively evidenced by a certificate of Declarant or the Association that the approval was given or deemed given.

Section 8. PERFORMANCE OF ASSOCIATION'S DUTIES BY DECLARANT.

Declarant shall have the right from time to time at its sole discretion, to perform at Declarant's expense the duties and obligations required hereunder to be performed by the Association. In connection therewith, Declarant shall have the right to reduce the budget of the Association and the Assessments for Common Expenses payable by the Owner; provided however, that any such performance on the part of Declarant may be discontinued by Declarant or a at any time, and any such performance shall not be deemed to constitute a continuing obligation on the part of Declarant.

Section 9. NO PUBLIC RIGHT OF DEDICATION. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Common Facilities to the public, or for any public use.

Section 10. CONSTRUCTIVE NOTICE AND ACCEPTANCE. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot does and shall be conclusively deemed to have consented to and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to those restrictions is contained in the instrument by which such person acquired an interest in such property.

IN WITNESS WHEREOF, Declarant has executed this Declaration on the date first written above.

WITNESSES:

PARKWOOD LUXURY BUILDERS, INC.,
A Florida corporation

Allen H. Katz
Allen H. Katz
Arthur R. Rosenberg
Arthur R. Rosenberg

By: Peter Trematerra Pres.
PETER TREMATERRA, PRESIDENT

Attest _____

STATE OF FLORIDA

COUNTY OF BROWARD

BEFORE ME, the undersigned authority, personally appeared this 19 day of MARCH, 1998, PETER TREMATERRA, President and Secretary of PARKWOOD LUXURY BUILDERS, INC., a Florida corporation, and he is personally known to me, or has produced _____, as identification, and he acknowledged to and before me that he executed the same under the seal of the corporation and as the act and deed of said corporation.

Scott Holl
Notary Public State of Florida

My Commission Expires:

JAN, 5 2002



SCOTT HOLL
COMMISSION # CC 706449
EXPIRES JAN 5, 2002
BONDED THRU
ATLANTIC BONDING CO., INC.

BR27946PG0220

ARTICLES OF INCORPORATION

OF

PARKWOOD AT KENSINGTON HOMEOWNERS ASSOCIATION, INC. (Florida Corporation Not For Profit)

In order to form a corporation not for profit under and in accordance with the provisions of Chapter 617 of the Florida Statutes, the undersigned, acting as incorporator, hereby adopts the following Articles of Incorporation for the purposes and with the powers hereinafter mentioned and does certify and set forth the following:

ARTICLE I DEFINITIONS

The following words and phrases when used in these Articles of Incorporation (unless the context reflects another meaning) shall have the following meanings:

1. "Articles" shall mean these Articles of Incorporation and any amendments thereto.
2. "Assessment" shall mean any of the types of assessments defined in Article V of the Declaration of Covenants, Restrictions and Easements for Parkwood At Kensington.
3. "Association" shall mean Parkwood at Kensington Homeowners Association Inc., a Florida non-profit corporation, and its successors and assigns.
4. "Board" shall mean the Board of Directors of the Association elected in accordance with the By-Laws of the Association.
5. "By-Laws" shall mean the By-Laws of the Association, which have been or shall be adopted by the Board, as such By-Laws may be amended from time to time.
6. "Common Facilities" shall mean those certain Improvements created or constructed by Declarant upon the Properties or any portion of the Properties for the common benefit of all Owners of Dwelling Units within the Properties.
7. "Declaration" shall mean the Declaration of Covenants, Restrictions and Easements for Parkwood at Kensington, as it may be amended from time to time.
8. "Declarant" shall mean and refer to Parkwood Luxury Builders, Inc., a Florida corporation, and any successor or assign thereof, which acquires any of the Properties from the Declarant for the purpose of development and to which Declarant specifically assigns all or part of the rights of the Declarant hereunder by an express written assignment recorded in the Public Records in Broward County, Florida.
9. "Dwelling Unit" or "Unit" shall mean and refer to a constructed dwelling which is designed and intended for use and occupancy as a family residence.
10. "Lot" shall mean one of the plots of land designated on the Plat of Kensington North as recorded in Plat Book 151 at Page 25 of the Public Records of Broward County, Florida.
11. "Member" shall mean any person or entity holding a membership in the Association as provided in Article V herein.
12. "Owner" shall mean and refer to the person or persons or

other legal entity or entities holding fee simple interest of record to any Lot, including Declarant.

13. "Property" or "Properties" shall mean all of the Property encumbered by the Declaration and the Articles.

14. "Turnover Date" shall mean the date defined in Article XII of these Articles.

All other capitalized terms not defined herein shall have the meaning ascribed to them, to the extent they are not in conflict with the provisions of the Declaration.

ARTICLE II NAME

The name of this Association will be PARKWOOD AT KENSINGTON HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, whose present address is 2409 University Drive, Coral Springs, Florida 33065.

ARTICLE III PURPOSES

The purpose for which this Association is organized is to take title to, operate, administer, manage, lease and maintain the Association's Common Facilities as is dedicated to or made the responsibility of the Association in the Declaration, in accordance with the terms and purposes set forth therein; and to conduct any lawful business permitted under the laws of the State of Florida for corporations not for profit in order to carry out the covenants and enforce the provisions of the Declaration and the By-Laws hereof.

ARTICLE IV POWERS

The Association shall have the following powers and shall be governed by the following provisions:

1. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of the Declaration.

2. The Association shall have all of the powers to be granted to the Association in the Declaration.

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

A. To perform any act required or contemplated by it under the Declaration.

B. To make, establish and enforce reasonable rules and regulations governing the use of the Common Facilities or any portions thereof.

C. To make, levy and collect Assessments for the purpose of obtaining funds from its Members for the payment of the Association's Expenses in the manner provided in the Declaration and to use and expend the proceeds of such Assessments in the exercise of the powers and duties of the Association.

D. To administer, manage and operate Parkwood At Kensington and to maintain, repair, replace and operate the Common Facilities in accordance with the Declaration.

E. To enforce, by legal means the obligations of the Members and the provisions of the Declaration.

F. To employ personnel, retain independent contractors

and professional personnel and enter into service contracts to provide for the maintenance, operation, administration and management of the Common Facilities and to enter into any other agreements consistent with the purposes of the Association, including, but not limited to, agreements with respect to professional management of the Common Facilities and to delegate to such professional management certain powers and duties of the Association.

G. To enter into the Declaration and any amendments thereto and instruments referred to therein.

H. To deal with other persons, corporations or other entities or representatives thereof on matters of mutual interest.

I. To provide, to the extent deemed necessary by the Board, any and all services and do any and all things which are incidental to or in furtherance of things listed above or to carry out the Association's mandate to keep and maintain the Properties in a proper and aesthetically pleasing condition and to provide the Owners with services, amenities, controls and enforcement which will enhance the quality of the life at Parkwood at Kensington.

ARTICLE V **MEMBERSHIP**

1. Regular Membership.

A. Every person or entity who is or shall become a record owner of a fee or undivided fee interest in any Lot in the Properties (as defined in the Declaration), which is or shall be subject to the Declaration, shall be a member of this Association from the date such member acquires record title to a Lot, provided that any such person or entity which holds such interest merely as a security for the performance of an obligation shall not be a member.

B. A change in membership in the Association shall be established by recording in the Public Records of Broward County, Florida, a deed or other instrument establishing record title to a Lot in the Properties. Upon the delivery to the Association of a recorded copy of such instrument, the owner designated by such instrument shall thereby become a Member of the Association, and the membership of the prior owner shall at that time cease.

C. The interest of any Member in the Common Facilities or in the funds and assets of the Association cannot be conveyed, assigned, mortgaged, hypothecated or transferred in any manner, except as authorized by the Declaration, these Articles, or the By-Laws of the Association.

2. **Additional Membership Categories:** The By-Laws may provide for additional membership categories, which categories shall not have any voting privileges. The term "Member" or "Membership" as used in the Declaration, the By-Laws or these Articles shall not apply to any such additional membership categories. The By-Laws shall provide for the rights and obligations of any additional membership categories.

ARTICLE VI **TERM**

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

ARTICLE VII **SUCCESSOR ENTITIES**

This Association may not be dissolved without the written consent of Members entitled to cast not less than Two-Thirds (2/3) of the votes.

In the event of the dissolution of the Association, or any successor entity thereto (unless same is reinstated), other than incident to a merger or consolidation, all assets of the Association shall be transferred to either a similar Homeowners' Association or an appropriate governmental agency or public body having a similar purpose or any Member may petition the applicable Circuit Court of the State of Florida for the appointment of a receiver, to be maintained for the purposes for which the Association, or a successor thereto, was maintaining such assets in accordance with the terms and provisions under which such assets were being held by this Association; or such successor.

ARTICLE VIII **INCORPORATOR**

The names and address of the Incorporator of these Articles is ARTHUR R. ROSENBERG of 4875 North Federal Highway, Seventh Floor, Fort Lauderdale, Florida 33308.

ARTICLES IX **BOARD OF DIRECTORS**

1. The number of members of the first Board ("First Board") shall be three (3), who are to serve until the Turnover Date. Thereafter, the number of members of the Board shall be determined by the Board from time to time, but shall not be less than three (3) Directors.

2. The names and street addresses of the persons who are to serve as the First Board are as follows:

Name	Address
PETER TREMATERRA	2409 UNIVERSITY DRIVE CORAL SPRINGS, FLORIDA 33065
SCOTT HOLL	2409 UNIVERSITY DRIVE CORAL SPRINGS, FLORIDA 33065
ARTHUR R. ROSENBERG	4875 NORTH FEDERAL HIGHWAY SEVENTH FLOOR FORT LAUDERDALE, FLORIDA 33308 CORAL SPRINGS, FLORIDA 33071

The First Board shall be the Board of the Association until the Turnover Date. The Declarant shall have the right to appoint, replace, designate or elect all the members of the First Board and, in the event of any vacancy, fill any such vacancy. Declarant reserves the right to remove any Director from the First Board.

3. The resignation of a Director who has been designated, appointed or elected by Declarant, or the resignation of an officer of the Association who is elected by the First Board, shall remise, release, acquit and forever discharge such Director or officer of and from any all manner of action(s), cause(s) of action, suits, debts, dues, claims, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity which the Association or Owners had, now have, or will have; or which any personal representative, successor, heir or assign of the Association or Owners hereafter may have against such Director or officer by reason of his having been a Director or officer of the Association.

ARTICLE X **OFFICERS**

1. The affairs of the Association shall be managed by the President of the Association, assisted by one (1) or more Vice Presidents, a Secretary and a Treasury and, if elected by the Board, one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, which officers shall be subject to the direction of the Board.

2. The Board shall elect the President, the Vice President, the Secretary and the Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall, from time to time, determine appropriate. Such officers shall be elected annually by the Board at the first meeting of the Board; provided, however, that such officers may be removed by the Board and other persons may be elected by the Board as such officers in the manner provided in the By-Laws. The President shall be a member of the Board, but no other officer need be a member of the Board. The same person may hold two offices, the duties of which are not incompatible, provided, however, the office of President and Vice President shall not be held by the same person.

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

President	PETER TREMATERRA
Vice President	SCOTT HOLL
Secretary	SCOTT HOLL
Treasurer	PETER TREMATERRA

ARTICLE XI VOTING RIGHTS\ "TURNOVER" OF ASSOCIATION

1. VOTING RIGHTS.

The Association shall have two classes of voting membership:

A. Class "A": Class "A" Membership shall be all of those Owners as defined in Article V hereof with the exception of the Declarant. Class "A" Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article V. When more than one person holds such interest in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine; but in no event shall more than one vote be cast with respect to any such Lot.

B. Class "B": The Class "B" Member shall be the Declarant, or its successor. The Class "B" Member shall be entitled to Ten (10) votes for each Lot in which it holds the interest required for membership by Article V hereof, provided that the Class "B" Membership shall cease and become converted to Class "A" Membership on the happening of the earlier of the following events:

(i) Within Three (3) months after title to Ninety percent (90%) of all Lots have been conveyed by deed by the Declarant; or

(ii) at any earlier time that the Declarant, in its sole discretion, voluntarily converts its Class "B" Membership to Class "A" membership; or

(iii) on December 31, 2005.

2. TURNOVER. Within ninety (90) days after the Declarant no longer has the right to elect or appoint a majority of the Board of Directors, the Association shall conduct a special meeting of the membership (the "Turnover Meeting") for the purpose of electing officers and directors; provided, however, that so long as Declarant continues to own any portion of the Properties Declarant shall be entitled (but not required) to appoint one (1) Member on the Board subsequent to the Turnover Date.

ARTICLE XII INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all costs, expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding, litigation,

arbitration or settlement 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, whether or not he is a Director or officer at the time such cost, expense or liability is incurred. Notwithstanding the foregoing, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Notwithstanding anything contained herein to the contrary, in instances where a Director or officer admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, the indemnification provisions contained herein shall not apply. Otherwise, the foregoing right of indemnification shall be in addition to and not exclusive of any and all right of indemnification to which such Director or officer may be entitled by common or statutory law.

ARTICLE XIII **BY-LAWS**

The By-Laws of the Association shall be adopted by the First Board and thereafter may be altered, amended or rescinded in the manner provided for in the By-Laws. In the event of a conflict between provisions of these Articles and the provisions of the By-Laws, the provisions of these Articles shall control.

ARTICLE XIV **AMENDMENTS**

1. These Articles may be amended only as follows:

A. (i) The Board shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of Members' which may be at either the annual members' meeting or a special meeting. Any number of proposed amendments may be submitted to the Members and voted upon by them at one meeting.

(ii) Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to the members within the time and in the manner provided in the By-Laws for the giving of notice of meetings of Members ("Required Notice").

(iii) At such meeting, a vote of the Members shall be taken on the proposed amendment(s). The proposed amendment(s) shall be adopted upon receiving: (i) the affirmative vote of the Members entitled to cast a majority of the votes of the Members; and (ii) the affirmative vote of the majority of the members of the Board.

B. An amendment may be adopted by a written statement (in lieu of a meeting) signed by all Members of the Association and all members of the Board setting forth their intention that an amendment to the Articles be adopted.

2. No amendment may be made to these Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Declaration or any amendments thereto.

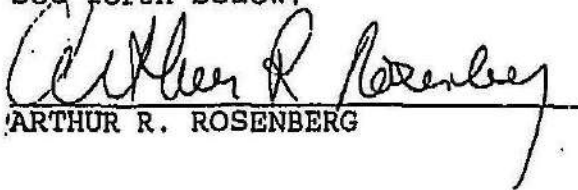
3. A copy of each amendment shall be filed with and certified by the Secretary of State of the State of Florida..

4. Notwithstanding the foregoing provisions of this Article XV, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of the Declarant, including the right to designate and select members of the Board as provided in Article XI hereof, without the prior written consent thereto by Declarant or any Institutional Mortgagee without the prior written consent of such Institutional Mortgagee.

ARTICLE XV
REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 4875 North Federal Highway, Seventh Floor, Fort Lauderdale, Florida 33309, and the initial registered agent of the Association at that address shall be ARTHUR R. ROSENBERG.

IN WITNESS WHEREOF, the Incorporator has hereto affixed his signature on the day and year set forth below.


ARTHUR R. ROSENBERG

STATE OF FLORIDA

COUNTY OF BROWARD

I HEREBY CERTIFY that on this 27th day of February, 1998, before me, a notary public duly authorized County and State named above to take acknowledgments, personally appeared ARTHUR R. ROSENBERG, to me known to be the persons described as Incorporator and Registered Agent in the foregoing Articles of Incorporation and who executed same and he acknowledged before me that he executed the same for the purposes therein expressed and that he is personally known to me and they did not take an oath.


NOTARY PUBLIC

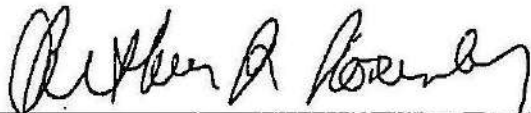
My commission expires:



Jean M. Cinnante
MY COMMISSION # CC518025 EXPIRES
December 5, 1999
BONDED THROUGH TRACY FARM INSURANCE, INC.

DESIGNATION OF REGISTER AGENT

The undersigned, with an office address of 4875 North Federal Highway, Seventh Floor, Fort Lauderdale, Florida 33308, hereby accepts the designation of Registered Agent of Parkwood at Kensington Homeowners Association, Inc., as set forth in Article XV of these Articles and acknowledges that he is familiar with, and accepts the obligations imposed upon registered agents under the Florida General Corporation Act, including specifically Section 607.325.



ARTHUR R. ROSENBERG

Dated

01/27/51

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of PARKWOOD AT KENSINGTON HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on March 3, 1998, as shown by the records of this office.

The document number of this corporation is N98000001240.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Third day of March, 1998



CR2EO22 (2-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

**BY-LAWS
OF
PARKWOOD AT KENSINGTON HOMEOWNERS ASSOCIATION, INC.
A Corporation Not for Profit
Under the Laws of the State of Florida**

**ARTICLE 1,
DEFINITIONS**

1.1 "Association" shall mean and refer to PARKWOOD AT KENSINGTON HOMEOWNERS ASSOCIATION, INC., a nonprofit corporation organized and existing under the laws of the State of Florida.

1.2 "Lot" shall mean and refer to a Lot as defined in the Declaration described in the Articles of Incorporation of the Association (the "Articles").

1.3 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot.

1.4 "Member's" shall mean and refer to all those Owners who are Members of the Association as defined in the Articles.

1.5 All other definitions from the Declaration of Covenants for PARKWOOD AT KENSINGTON (the "Declaration") described in the Articles are incorporated herein by this reference.

**ARTICLE 2.
LOCATION**

2.1 Until changed, the principal office of the Association shall be 2409 University Drive, Coral Springs, Florida 33065.

**ARTICLE 3.
MEMBERSHIP**

3.1 The membership of the Association is as set forth in Section 3.1 of the Articles.

**ARTICLE 4.
BOARD OF DIRECTORS**

4.1 The directors of the Association shall be nominated and elected, or designated, as specified in the Articles and hereinbelow. The directors may not be compensated by the Association for their services as such. The procedure for the election of Directors shall be, to the extent that a Member does not simply designate a Director by written notice to the Association (as in the case with the Class B Member), the president of the Association shall call a meeting of the Members, who shall hold a meeting in accordance with Roberts Rules of Order (latest edition) and shall nominate as many candidates for Director as they deem appropriate. Upon the closing of such nominations, each Member shall cast his allocated number of votes for as many nominees as there are directorships to be filled by such votes and the nominee(s) receiving the highest aggregate number(s) of the votes of all participating Members shall be elected to the applicable Board of Directors' seat(s).

4.2 The first meeting of the duly elected Board of Directors, for the purposes of organization, shall be held immediately after the annual meeting of the Members, provided the majority of the

members of the Board of Directors elected be present. Any action taken at such meeting shall be by a majority of the whole Board of Directors. If the majority of the directors elected shall not be present at that time, or if the directors shall fail to elect officers, the meeting of the Board to elect officers shall then be held within thirty (30) days after the annual meeting of the Members upon three (3) days notice in writing to each member of the Board of Directors elected, stating the time, place and object of such meeting.

4.3 Regular meetings of the Board of Directors may be held at any place or places within Broward County, Florida, on such days and at such hours as the Board of Directors may, by resolution, designate.

4.4 Notice shall be required to be posted on the Association property regular meeting of the Board of Directors. No notice need be given to members of the Board of Directors.

4.5 Special meetings of the Board of Directors may be called at any time by the President or by two (2) members of the Board. The Special Meeting may be held any place or places within Broward County, Florida, and at any time.

4.6 Notice of each special meeting of the Board of Directors, stating the time, place and purpose or purposes thereof, shall be given by or on behalf of the President or by or on behalf of the Secretary or by or on behalf of any two (2) members of the Board to each member of the Board of Directors, not less than three (3) days by mail, or one (1) day by telephone or telegraph, prior to the meeting. Special meetings of the Directors may also be held at any place and time without notice by unanimous waiver of notice by all the directors, or the Board of Directors, may also take action, in emergency situations, without a meeting by written instrument signed by all the directors.

4.7 Each director shall have the absolute right to resign at any time and the remaining directors in office shall then fill the vacancy, provided that if all directors resign, a special meeting of the Voting Members shall be called as soon as possible for the purpose of electing new directors and the resignations of such directors shall not be effective until such election is held and new directors are elected, except that if no meeting is held or no directors are elected after two (2) attempts to call and hold such meeting, the resignations shall become effective simultaneously with the date and time of the scheduled second meeting, whether held or not or whether new directors are elected. Notwithstanding the foregoing, the Class B Voting Member shall have the sole power and authority to remove and replace directors designated by it.

4.8 All meetings of the Board of Directors must be open to all members, except for meetings between the Board of Directors and its attorney with respect to proposed or pending litigation, where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notices of all Board meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each Board meeting must be mailed or delivered to each member at least 7 days before the meeting, except in an emergency. An assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments. Directors may not vote by proxy or by secret ballot at Board meetings, except that secret ballots may be used in the election of officers.

ARTICLE 5.

OFFICERS

5.1 Any officer may be removed at any time by the affirmative

vote of a majority of the Board of Directors at any duly called regular or special meeting of the Board of Directors.

5.2 The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Members of the Association and of the Board of Directors. He shall have the general powers and duties of supervision and management of the Association which usually pertain to his office, and shall perform all such duties as are properly required of him by the Board of Directors. The Board of Directors shall elect at least one (1) Vice President, who shall have such powers and perform such duties as usually pertain to such office or as are properly required of him by the Board of Directors. In the absence, or disability of the President, any Vice President shall perform the duties and exercise the powers of the President. The Secretary shall issue notices of all meetings of the membership of the Association and the directors, where notices of such meetings are required by law or in these By-Laws. He shall keep the minutes of the meetings of the membership and of the Board of Directors. The Treasurer shall have the care and custody of all the monies and securities of the Association. He shall enter on the books of the Association, to be kept by him for that purpose, full and accurate accounts of all monies received by him and paid by him on account of the Association. He shall sign such instruments as require his signature and shall perform all such duties as usually pertain to his office or as are properly required of him by the Board of Directors.

5.3 Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting.

ARTICLE 6. MEETINGS OF MEMBERS

6.1 The regular annual meeting of the Members shall be held once each year and at such time and place as shall be determined by the Board of Directors, an annual meeting shall be held within thirteen (13) months of the prior one.

6.2 Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or by any two (2) or more members of the Board of Directors, or upon written request of the Members who have a right to vote Twenty percent (20%) of all the votes of the entire membership.

6.3 Notice may be given to the Members either personally, or by sending a copy of the notice through the mail, postage thereon fully paid, to his address appearing on the records of the Association. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed or personally delivered at least six (6) days in advance of the meeting (unless a different length of time is provided for elsewhere in these By-Laws, the Articles or the Declaration) and shall set forth the general nature of the business to be transacted, provided however, that if any business of any meeting shall involve an action governed by the Articles, notice of such meeting shall be given or sent as therein provided.

Notice of specific meetings may be waived before or after the meeting and the attendance of any Member shall constitute such Member's waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

6.4 The presence in person or by proxy at the meeting of Thirty (30%) percent of the Members entitled to cast votes of the membership shall constitute a quorum for any action governed by

these By-Laws, provided, that the persons in attendance at a meeting at which a quorum has not been attained may vote to adjourn the meeting until a time at which a quorum can be reached. Once a quorum is obtained at any meeting, the decisions that require a vote of the members must be made by the concurrence of at least a majority of the voting interest present, in person or by proxy at such meeting.

6.5 Proxies of Members for elections of Directors must be in writing and signed by all record Owners of a Lot or the person designated in a voting certificate signed by all such Owners as the person authorized to cast the vote attributable to such Lot, dated, must state the date, time and place of the meeting for which is was given. A proxy shall be effective only for the specific meeting for which is was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires Ninety (90) days after the date of the meeting for which it was originally give. A proxy shall be revocable at any time at the pleasure of the person who executed it.

6.6 Meetings shall be governed by Roberts Rules of Order (latest edition) to the extent not inconsistent with these By-Laws, the Articles or the Declaration.

ARTICLE 7. **ARCHITECTURAL CONTROL BOARD**

The Board of Directors may also appoint an Architectural Control Board when and as provided in the Declaration. All meeting of the Architectural Control Board shall be govern by the same rules and requirements for notice as meeting of the Board.

ARTICLE 8. **BOOKS AND PAPERS, FINANCIAL MATTERS**

8.1 The books, records, financial statements and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member of the Association.

8.2 The fiscal year of the Association shall be the calendar year. At least thirty (30) days prior to the beginning of the Association's fiscal year, the Board shall prepare, or cause to be prepared, and distribute to the Members of the Association an itemized estimated operating budget of the expenses to be incurred by the Association during such coming year in performing its functions under this Declaration (provided that the failure to do so shall not impair the validity or enforceability of the assessments to be levied thereunder). The Assessments shall be based upon an estimated budget that includes reasonable reserves for deferred maintenance of improvements which the Board is responsible hereunder for maintaining and may (but need not) include reserves for other contingencies. The Board may provide in its absolute discretion that the Regular Assessments be payable either quarterly or monthly. The operating budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The Association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member.

8.3 At least thirty (30) days prior to the effective date of any change in the amount of assessments, the Association shall send written notice of the new assessment amount and the due date(s) thereof to each Member.

8.4 Within a reasonable amount of time after the end of the Association's fiscal year, the Association shall prepare, or cause to be prepared, financial statements for the Association showing its actual receipts and expenditures for the previous twelve (12)

months in the classifications provided in the budget for such period. Such statements may, but need not be audited or reviewed by a Certified Public Accountant.

8.5 The Association shall maintain each of the following items, when applicable, which constitute the official records of the Association:

(a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the common areas or other property that the Association is obligated to maintain, repair, or replace.

(b) A copy of the Bylaws of the Association and of each amendment to the Bylaws.

(c) A copy of the Articles of the Association and amendments thereto.

(d) A copy of the Declaration and a copy of each amendment thereto.

(e) A copy of the current rules of the Association.

(f) The minutes of all meeting of the Board and of the members, which minutes must be retained for at least seven (7) years.

(g) A current roster of all members and their mailing addresses and parcel identification.

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

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

(j) The financial and accounting records of the Association, shall be kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:

(1) Accurate, itemized, and detailed records of all receipts and expenditures.

(2) A current account and a periodic statement of the account for each member, designating the same and current address of each member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the member, the date and amount of each payment on the account, and the balance due.

(3) All tax returns, financial statements, and financial reports of the Association.

(4) Any other records that identify, measure, record, or communicate financial information.

8.6 The official records shall be maintained within the State and must be open to inspection and available for photocopying by members or their authorized agents at reasonable time and places within ten (10) business days after receipt of a written request for access.

(a) The Association may adopt reasonable written rules governing the frequency, time, location, notice, and manner of inspections, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The Association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members, and may charge only its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them.

ARTICLE 9.

FINES

Section 9.1 The Association may impose reasonable fines, not to exceed One Hundred (\$100.00) Dollars per violation, against a Member, or any tenant, guest or invitee for violations of the Declaration. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed the sum of One Thousand (\$1,000.00) Dollars.

Section 9.2 A fine may not be imposed without notice of at least Fourteen (14) days to the person sought to be fined and an opportunity for a hearing before a committee of at least three (3) members appointed by the Board, who are not officers, directors or employees of the Association, or a spouse, parent, child, brother, sister or an officer, director or employee. If the committee, by a majority, after hearing, does not approve a proposed fine, it may not be imposed.

ARTICLE 10.

AMENDMENTS

10.1 These By-Laws may be amended, at a regular or special meeting of the Board of Directors, provided, however, the provisions which are governed by the Articles may not be amended except as provided in the Articles or applicable law; and provided further that any matters stated herein to be or which are in fact governed by the Declaration referred to herein may not be amended except as provided in such Declaration. Anything to the contrary herein notwithstanding, the Developer shall have the absolute right to amend these By-Laws as long as the Developer owns any Lot, without the consent of the Members or the Board of Directors.

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

WE HEREBY CERTIFY that the foregoing By-Laws of the above-named corporation were duly adopted by the Board of Directors of the Association on the day of , 1998.

Peter Quinto Pres.
PRESIDENT

S. Hall Sec.
SECRETARY