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foreclosure, the Association shall not recover attorneys' fees or costs. The notice must be delivered personally to the Owner or mailed and delivered by registered or certified mail, return receipt requested. If, after diligent search and inquiry, the Association cannot find the Owner or a mailing address at which the Owner will receive the notice, the notice shall be given as required by law. The notice requirements of this subsection are satisfied if the Townhome Unit records a notice of contest of lien as provided in the Act.

F. If the Owner remains in possession of the Townhome Unit and the claim of lien is foreclosed, the court, in its discretion, may require the Owner to pay taxes and prior encumbrances and interest thereon, all as provided above. Such notice of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such lien, the same shall be satisfied of record.

G. Institution of a suit at law to collect payment of any delinquent assessment shall not prevent the Association from thereafter seeking enforcement of the collection by foreclosure of any sums then owing to it. Proceeding by foreclosure to effect such collection shall not preclude the institution of a suit at law to collect any sum then owing to it.

H. A Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the Owner and shall be subject to all of the provisions of this Declaration, the By-Laws, the Rules and Regulations and applicable law. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the Common Expenses up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by grantee. Any person who acquires an interest in a Townhome Unit (except through a foreclosure of a recorded first mortgage or acceptance of a deed in lieu thereof) shall not be entitled to occupancy of the Townhome Unit or enjoyment of the Common Properties until such time as all unpaid assessments and other charges due and owing by the former owner have been paid.

I. When an Institutional Lender of record, or other purchaser of a Townhome Unit shall obtain title to a Townhome Unit by a purchase at a public sale resulting from the Institutional Lender's foreclosure judgment in a foreclosure suit in which the Association shall have been properly named as a defendant junior lienholder, or as a result of a deed given in lieu of foreclosure, such acquirer of title, its successors and assigns shall not be liable for the share of Common Expenses or assessments attributable to the Townhome Unit or chargeable to the former Owner of the Townhome Unit which became due prior to such acquisition of title unless the share shall be secured by a claim of lien for assessments

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recorded prior to the recording of the foreclosed mortgage. The unpaid share of Common Expenses or assessments shall be Common Expenses collectible from all of the Owners, including such acquirer, its successors and assigns. An Institutional Lender acquiring title to a Townhome Unit by foreclosure or deed in lieu of foreclosure shall not, during the period of its ownership of the Townhome Unit, whether or not the Unit is unoccupied, be excused from the payment of some or all of the Common Expenses coming due during the period of such ownership.

7.3 Liens; Personal Obligations. Owner hereby gives and grants unto the Association a lien against all Lots for each Lot's applicable share of the assessments due the Association. The lien herein granted shall commence upon the recording of this Declaration in the Public Records of the County. Owner, for each Lot owned by it, and each other Owner, by acceptance of a deed thereto, shall be deemed to covenant and agree to pay to the Association: (a) annual assessments; (b) special assessments; and (c) special individual assessments. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, shall be a charge on the applicable Lot and shall be a continuing lien thereon against which each such assessment is made. Each such assessment, together with interest, late charges, costs and reasonable attorneys' fees shall also be the personal obligation of the person(s) owning such Lot at the time when the assessment came due.

7.4 Delinquencies; Enforcement. Unpaid assessments shall be a continuing lien on the applicable Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain as personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them. Assessments shall bear interest from the due date until paid at the maximum rate allowed by law for an individual. A late charge shall be due in the amount of twenty-five (\$25.00) dollars per monthly assessment or portion thereof past due or fifty percent (50%) of the monthly assessment past due, whichever is greater, and the Association may bring an action at law against the Owner personally obligated to pay the same or an action to foreclose the lien against the Lot, and there shall be added to the amount of such assessment reasonable attorneys' fees and costs incurred in collecting such assessment, and in the event that judgment is obtained, such judgment shall include interest on the assessment and late charges as above provided and reasonable attorneys' fees, together with the cost of the action, including attorneys' fees and costs on appeal. Liens may be foreclosed in the same manner as mortgages are foreclosed.

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ARTICLE 8
ARCHITECTURAL/LANDSCAPE CONTROL

8.1 Members of Committee. The Architectural Control Committee, sometimes referred to in this Declaration as the "Committee", shall consist of three (3) members. The initial members of the Committee shall consist of persons designated by Declarant. Each of said persons shall hold office until all Units planned for The Golf Club have been constructed, created and conveyed, or sooner at the option of Declarant. Thereafter, each new member of the Committee shall be appointed by the Board and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the Committee may be removed at any time without cause. The Board shall have the right to appoint and remove all members of the Committee.

8.2 Review of Proposed Construction.

A. Subject to Articles 11 and 12 of this Declaration and any other exemption granted to Declarant pursuant to the terms of this Declaration, no Building, fence, wall or other structure or Improvement (including landscaping, trees, shrubs, vegetation and ground cover) shall be commenced, removed, altered, painted, erected or maintained in The Golf Club, nor shall any addition, change or alteration visible from the exterior of Units or Parcels be made, nor shall any awning, canopy or shutter be attached to or placed upon outside walls or roofs of Buildings or other improvements, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to, and approved in writing by, the Committee (after first having been approved by any applicable association or architectural control committee thereof.) The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations, additions or use contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of The Golf Club as a whole, and that the appearance of the surrounding area of The Golf Club as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures and is otherwise desirable. If the proposed construction, alteration or additions are to common property of an association, said approval shall also be subject to the prior approval of said association. The Committee may condition its approval of proposals and plans and specifications as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may also issue rules or guidelines setting forth procedures for the submission of plans for approval. The Committee may require such detail in plans and specifications submitted for its review as deems proper, including, without limitation, floor plans, site plans, drainage plans,

elevation drawings and descriptions or samples of exterior materials and colors. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval. The Committee shall have thirty (30) days after delivery of all required materials to approve or reject any such plans, and if not approved within such 30-day period, said plans shall be deemed approved. The Committee herein shall be the ultimate deciding body and its decisions shall take precedence over all others.

B. The Committee shall have the right to promulgate such further rules and regulations as it deems necessary in order to preserve the values and appearance of The Golf Club and hereafter, to modify, alter, amend, rescind and augment any of same (collectively "Design Rules") provided that the Design Rules so promulgated shall not be in conflict with the provisions of the Declaration. Such Design Rules shall not become effective until approved by the Declarant in writing so long as the Declarant owns any portion of The Golf Club and thereafter by the Board. The Committee may adopt a schedule of reasonable fees for the processing of applications which fees shall be subject to the approval of the Board.

C. The Committee shall also have the right to determine from time to time the use that each Unit, Parcel or Property (or portion thereof) may be subject to, and may prohibit or restrict a particular use notwithstanding that such use may be permitted by any applicable zoning law, ordinance, rule or regulation.

D. All changes and alterations shall be subject independently to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees.

8.3 Meeting of the Committee. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time, by resolution unanimously adopted in writing, designate a Committee representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to Section 8 hereof. In the absence of such designation, the vote of any two (2) members of the Committee shall constitute an act of the Committee.

8.4 No Waiver of Future Approvals. The approval of the Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

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8.5 Compensation of Members. The members of the Committee shall receive compensation for services rendered as determined by the Board, in addition to reimbursement for expenses incurred by them in the performance of their duties hereunder.

8.6 Inspection of Work. Inspection of work and correction of defects therein shall proceed as follow:

A. Upon the completion of any work for which approved plans are required under this Article 8, the applicant (who may be an Owner or an appropriate association) for such approval (the "Applicant") shall give written notice of completion to the Committee.

B. Within ten (10) days thereafter, the Committee or its duly authorized representative may inspect such Improvement. If the Committee finds that such work was not effected in substantial compliance with the approved plans, it shall notify the Applicant in writing of such noncompliance within such ten (10) days period, specifying the particulars of noncompliance, and shall require the Applicant to remedy the same.

C. If a noncompliance exists, the Applicant shall remedy or remove same within a period of not more than thirty (30) days of such notification. If, upon the expiration of thirty (30) days from the date of such notification, the Applicant shall have failed to remedy such noncompliance, the Committee shall notify the Board in writing of such failure. The Board, at its option, may either remove the noncomplying Improvement or remedy the noncompliance, and the Applicant shall reimburse the Association, upon demand, for all expenses incurred in connection therewith, plus a 25% administrative charge. If such expenses are not promptly repaid by the Applicant to the Association, the Board shall levy a Special Assessment against such Applicant for reimbursement plus the 25% administrative charge. In the event said Applicant is an association, the aforementioned Special Assessment (but not the 25% administrative charge) shall be levied against all Units in the association in proportion to their respective interests in said association. The entry upon the property by the Association or its agents for the purpose of affecting the terms of this provision is expressly permitted and shall not constitute a trespass.

D. If for any reason the Committee fails to notify the Applicant of any noncompliance within thirty (30) days after receipt of said written notice of completion from the Applicant, the Improvement shall be deemed to have been made in accordance with said approved plans.

8.7 Non-Liability of Committee Members. Neither the Committee, nor any member thereof, nor its duly authorized Committee representative, shall be liable to the Association, any association, or to any Owner or any other person or entity for any loss, damage

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or injury arising out of or in any way connected with the performance of the Committee's duties hereunder, unless due to the willful misconduct or bad faith of a member and then only that member shall have any liability. The Committee shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to The Golf Club. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes.

8.8 Variance. The Committee may authorize variances from compliance with any of the architectural provisions of this Declaration or any supplemental declaration, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations require. Such variance must be evidenced in writing which must be signed by at least two (2) members of the Committee. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration or any supplemental declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration or of any supplemental declaration for any purpose except as to the particular property and particular improvement for which the variance was granted.

8.9 Exterior Appearance and Design. The Owners of any building or improvement which has suffered damage may apply for approval to the Architectural Committee for reconstruction, rebuilding or repair of the Improvements therein. Application for such approval shall be made in writing, together with full and complete plans and specification, working drawings and elevations showing the proposed reconstruction and the end result thereof. The Architectural Committee shall grant such approval only if upon completion of the work the exterior appearance and design will be substantially like that which existed prior to the date of the casualty. Failure of the Architectural Committee to act within thirty (30) days after receipt of such a request in writing together with the drawings and plot plans showing the full and complete nature of the proposed changes shall constitute approval thereof. If the obligation for repair falls upon the Association, Architectural Committee approval will not be required prior to the commencement of such work.

8.10 Time Limitation - Commencement and Completion of Construction. The Owner of a Unit or Parcel shall commence construction of the Unit(s) permitted to be constructed thereon not

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later than the first to occur of (a) six months following the date on which the last of the requisite approvals have been obtained by Declarant for the issuance of building permits with respect to said Unit(s) or Parcel or (b) one year after the date of closing on the transfer of the Unit(s) or Parcel by Declarant to the Owner as evidenced by the date of delivery of the deed to said Unit(s) or Parcel. Said Unit Owner shall complete construction of said Unit(s) (as evidenced by issuance of a certificate of occupancy) within 180 days of commencement. Parcel Owners shall be required to complete construction of all Units in said parcel (evidenced by the issuance of a certificate of occupancy therefor) within two years from the date of closing on the transfer of the Parcel by Declarant to the Parcel Owner. Once commenced, the Owner shall diligently and continuously proceed with the uninterrupted construction of the improvements thereon. In the event that an Unimproved Unit has been improved but has not had a Certificate of Occupancy issued thereof, the Declarant may, subject to the Right of Repurchase pursuant to Article 11 hereof, enter upon the property and complete the improvements required for the issuance of a Certificate of Occupancy therefor and charge to the Owner the costs incurred thereby (including hard and soft costs) as a Special Assessment and thereafter the property shall be assessed as an Improved Unit. The entry upon the property by the Association and its agents for the purpose of affecting the terms of this provision is expressly permitted and shall not constitute a trespass thereon.

8.11 Time Limitation - Destruction. The Owner or Owners of any damaged Building, the Association and the Architectural Committee shall be obligated to proceed with all due diligence hereunder, and the responsible party shall commence reconstruction within three (3) months after the damage occurs and complete reconstruction within one (1) year after damage occurs, unless prevented by causes beyond their reasonable control.

8.12 Improvements. All Improvements shall comply with all applicable minimum standards established by the Committee and zoning laws. No Improvement shall be constructed, removed, changed or installed without the Committee's prior written approval (except as hereinafter provided as to Declarant). The Committee shall control not only the initial structure and improvements, landscaping, walls and fences to be constructed, but also any additions, changes or modifications thereof on any Townhome Unit, except that all structures constructed by Declarant as well as landscaping, walls and fences installed or constructed by Declarant shall be deemed approved by the Committee. Anything herein to the contrary notwithstanding, any Owner may make alterations, changes and modifications within the interior of his Townhome Unit without obtaining the Committee's consent.

8.13 Maintenance of Improvements. All Improvements shall be kept in a clean, neat and attractive condition consistent with the general appearance of The Golf Club and in conformity with the terms

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and conditions of this Declaration and all rules and regulations hereinafter adopted by the Association.

8.14 Maintenance and Repair.

A. By Owners. Each Owner agrees to: (a) maintain in good condition and repair his Townhome Unit, including front and rear yards and appurtenances and interior surfaces such as walls, ceilings and floors, and screens, windows and doors, and to replace such items, when necessary; and (b) maintain, repair and replace, if necessary, the fixtures and equipment within the Townhome Unit. The Association shall have the right, at its discretion, to make such maintenance or repair, if the Owner fails to do so following ten (10) days' written notice, or written or oral notice of a shorter duration in the event of an emergency situation, and to charge the Owner for the costs of same. If the Association charges a Owner for such repairs or maintenance, and the Owner fails to make prompt payment, the Association shall be entitled to place a lien against that Owner's Townhome Unit and proceed as provided in Article 6 hereof. A Owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his act or negligence or by that of any member of his family or his or their guests, invitees, employees, agents or lessees, but only to the extent that expense is not met by the proceeds of insurance carried by the Association and then, conditioned on the extent of the right of subrogation of the Association's insurer.

B. By the Association. The Association shall be responsible for the maintenance, repair and replacement of all of the Common Properties including those portions which contribute to the support of the building, and all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services. Should any incidental damage be caused to any Townhome Unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair or replacement of any Common Properties, the Association, shall, at its expense, repair such incidental damage. The costs of such maintenance on the Common Properties (including Limited Common Properties) shall be apportioned in equal shares among the Owners affected. However, to the extent such maintenance, repairs or replacements are necessitated by the negligence, misuse or neglect of a Owner, his family, guests or invitees, such costs shall be assessed against his Townhome Unit and paid by the Owner. In the event of any dispute among the Owners regarding the costs of repair, maintenance or restoration of the Common Properties the Owner hereby designates the Administration as arbiters of such dispute, whose decision shall be binding and conclusive upon them. In the event that one of such Owners is an Administrator, he shall stand down from such office during the hearing and decision on the dispute. Whenever it is necessary to enter any Townhome Unit for maintenance, alteration or repair to any portion of the Common Properties, each Owner shall permit other Owners or their representatives, or the Association's

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duly constituted and authorized agent, to enter such Townhome Unit for such purpose, provided that such entry shall be made only at reasonable times and with reasonable notice.

ARTICLE 9
PARTICULAR USE RESTRICTIONS, RULES AND REGULATIONS

9.1 Applicability. The provisions of this Article shall apply to The Golf Club, but shall not apply to Declarant, any of its affiliates, contractors or subcontractors. If requested by any interested party, Declarant shall give a written statement as to whether any particular person or entity shall be exempt from the provisions of this Article and to which Land or Townhome Units and for what period of time such exemption shall exist.

9.2 Nuisances. No noxious, offensive or unlawful activity shall be carried on within The Golf Club nor shall anything be done in The Golf Club which may be or may become an annoyance or nuisance to other Owners. By accepting a deed of conveyance of a Lot or Unit, the Owner acknowledges that certain inherent risks are associated with the ownership of property within a residential community adjacent to a golf course, and in connection therewith each Owner agrees:

A. The operation of a golf course is from a sunrise to sunset operation, including the mowing of greens, tees and fairways in the early morning hours, and Owner agrees that all usual operations of a golf course shall not be considered a nuisance for which the Declarant shall have any liability.

B. Another risk associated with a residential community adjacent to a golf course is damage to person or property caused by golf balls being hit from within the golf course and unintentionally striking objects outside of the golf course. In such events, Owner agrees to hold Declarant harmless from any and all damages caused by such misdirected golf balls. Nothing herein shall be deemed or construed to waive any claim against the golfer responsible for misdirecting a golf ball which causes damage to property or person.

9.3 Signs. No sign of any kind shall be permitted on the Common Properties or any Lot; nor shall any sign be permitted on or visible from any, including, without limitation, any signs indicating that a Lot or Unit is for sale or for lease. Notwithstanding the foregoing, all signs in connection with the Conservation Areas shall be permitted as required by the South Florida Water Management District and informational signs, e.g., no parking, restricted parking, speed and directional signs, shall be permitted at the discretion of the Association and with the consent of the Declarant. All permitted signs shall, in all respects, be in

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accordance with rules and regulations promulgated by the Association. Notwithstanding anything herein to the contrary, Declarant shall be entitled to place signs of such size and design as Declarant shall determine upon any Lot(s) or Townhome Unit(s) to advertise for sale or other purposes.

9.4 Parking and Vehicular Restrictions. Parking in The Golf Club shall be restricted to the parking areas therein designated for such purpose. Except for temporary purposes in order to service Units, Parcels, other Class of Property or the Common Properties, no person shall park, store or keep on any portion of The Golf Club any large commercial-type vehicle (for example, dump truck, cement mixer truck, oil or gas truck, delivery truck), nor may any person keep any other vehicle on the Common Properties which is deemed to be a nuisance by the Board. No person shall conduct major repairs (except in an emergency) or major restorations of any motor vehicle will be subject to height, width and length restrictions and other rules and regulations now or hereafter adopted.

9.5 Animal Restriction. No livestock, reptiles or poultry of any kind shall be raised, bred or kept on The Golf Club. Pets shall be prohibited from all portions of the Common Properties excepts where designated by the Association. All pets must be controlled by Owners per rules and regulations to be enacted from time to time.

9.6 Garbage, Refuse and Sewage Disposal. No portion of The Golf Club shall be used or maintained as a dumping ground for rubbish. Trash and garbage shall not be kept except in sanitary containers or as required by the Association or the applicable County ordinances. All equipment for the storage or disposal of such material shall be kept in clean and sanitary condition. No individual sewage disposal system shall be permitted in The Golf Club.

9.7 Temporary, Play and Auxiliary Structures. No structure of a temporary character, trailer, basement, tent, shack, shed, barn or other outbuilding shall be built, installed or used in The Golf Club at any time. No platform, doghouse, playhouse or similar structure shall be constructed in any part of The Golf Club without the Committee's prior written approval. No outdoor clotheslines shall be permitted. No building, fence, screen enclosure, wall or other structure shall be erected or maintained, nor shall any exterior addition, change or alteration thereof be made, unless consistent with the general aesthetics of the Truman Annex Project as described in the Master Declaration and unless and until plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted and approved in writing by the Committee.

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9.8 Other Facilities. Nothing shall be altered or constructed in or removed from The Golf Club except upon the written consent of the Committee.

9.9 Outside Installation. Except for permitted uses in connection with Commercial Properties, Hotel Property and Marina Property or as otherwise approved by the Board, no exterior radio antenna, television antenna or other antenna of any shall type shall be erected or maintained in the buildings or elsewhere on The Golf Club, provided that a master antenna or antennae, or cable television antenna or antennae, may be provided for the use of Owners, and Declarant may grant and hereby reserves easement for such purposes. The erection of such antenna shall be subject to restriction of record as amended from time to time.

9.10 Insurance Rates. Nothing shall be done or kept in the Common Properties which will increase the rate of insurance on any properties insured by the Association without the approval of the Board, nor shall anything be done or kept in the Buildings, Units or Parcels or on the Common Properties which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law. In the event that an Owner does anything to increase the rate of insurance, said Owner shall be responsible for payment of the increased amount as a Special Assessment in accordance with the terms hereof.

9.11 Drilling. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted in or on The Golf Club, nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted. No derrick or other structure designed for use in boring for water, oil, natural gas or minerals shall be erected, maintained or permitted on or around The Golf Club.

9.12 Selling of Units. No Residential Unit Owner other than the Declarant may sell his Unit except by complying with the right of first refusal reserved by Declarant as set forth in Section 11.5 hereof.

9.13 Leasing. A Unit shall be used only as a residential dwelling and may be available for lease. All leases for Residential Units shall be on forms approved by the Association and shall provide that the Association has the right to terminate the lease upon default by the lessee in observing any of the provisions of this Declaration, the Articles, By-Laws of the Association, and all applicable rules and regulations adopted by the Association. The Board shall establish such rules and regulations in regard to the leasing of Units by Owners as it determines necessary including, without limitation, rules and regulations requiring minimum length of term, maximum rentals during a fixed period of time, and requirements and standards for credit and similar references. Until modified by the Association, the current minimum duration for any

rental period shall be seven (7) consecutive days. Such rules and regulations shall be applied and enforced without discrimination on the basis of race, religion, color, creed or sexual preference. All persons approved as lessees shall be subject to this Declaration, the Articles and By-Laws of the Association and all supplements and amendments thereto.

9.14 Maintenance of The Golf Club. No weeds, underbrush, or other unsightly growth shall be permitted to grow or remain upon the property within The Golf Club and no refuse or unsightly objects shall be allowed to be placed or suffered to remain upon the property within The Golf Club. All lawns, landscaping and sprinkler systems and any property, structure, improvement and appurtenance shall be kept in good, safe, clean, neat and attractive condition. During the course of construction of any kind within The Golf Club, the owner of the property upon which such construction work is being done shall store all construction materials, including equipment and vehicles, supervise all construction personnel and manage all phases of the construction in a manner reasonably designed to minimize traffic congestion, dust, noise and other similar distractions, disturbances and inconveniences. Excepted from the foregoing shall be any portion of the property within The Golf Club owned by Declarant or its nominee through the period of construction of Units or other buildings or structures thereon. Upon the failure to maintain the premises as aforesaid to the satisfaction of Declarant or the Association, and upon the Association's or an association's, or an Owner's, failure to make such correction within thirty (30) days of being given written notice by Declarant or the Association (which written notice does not have to be given by Declarant or Association in the case of emergency, in which event, Declarant or Association may without any prior notice directly remedy the problem), Declarant or the Association may, in furtherance of Declarant's overall plan for the development and uniform appearance of The Golf Club, enter upon such premises and make such improvements or correction as may be necessary, the costs of which shall be paid by the Association, association or Owner, as the case may be, or Declarant or the Association may bring an action at law or in equity. Such entry by Declarant or the Association or their agents shall not be a trespass and, by acceptance of a deed for a Unit, such party has expressly given Declarant and the Association the continuing permission to do so, which permission may not be revoked. If any Owner, the Association or association fails to make payment within fifteen (15) days after request to do so by Declarant or the Association, as appropriate, the payment requested shall be a lien in accordance with the Special Assessment provisions hereof.

9.15 Maintenance by the Owner. The responsibility of each Owner to keep his Parcel, Unit or other Class of Property in compliance with standards promulgated by the Architectural Control Committee of the Board shall be as follows:

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A. To maintain, protect repair and replace, at his own cost and expense, all portions, above and below the mean high water line, of his Parcel, Unit or other Class of Property together with all improvements and equipment located thereon, except any portions to be maintained, repaired and replaced by the Association or another association within The Golf Club. Such maintenance, protection, repair and replacement shall be done without disturbing the rights of the other Owners;

B. Not to modify or change the appearance or design of any portion of the exterior of any Parcel, Unit or other Class of Property without the prior written approval of the Association, and of any applicable association of which a Unit is a part;

C. To report promptly to the Association any defect or need for repairs, maintenance or replacements for which the Association or other association is responsible.

9.16 Exterior Maintenance of Units by the Association. In addition to maintenance upon the Common Properties, the Association may provide exterior maintenance service to and upon any structure located on any Lot and any property in The Golf Club, provided such exterior maintenance is, in the opinion of the Board, required, including without limitation: paint; repair; roof repair and replacement; installation of gutters, downspouts and exterior building surfaces; yard clean-up; bulkheading; dredging, and otherwise maintaining the Marina. In addition, the Association may provide maintenance to the landscaping, sprinklers, trees, shrubs, grass, pools, walks, private drives, shorelines and streets, Owner's irrigation systems, and may provide maintenance to other exterior improvements.

The provision of any exterior maintenance services by the Association shall not be deemed to constitute and does not constitute an acceptance of the ongoing responsibility to maintain such properties, except as herein provided. At such time as the Association renders exterior maintenance services, it shall do so at the sole expense of the responsible Owner(s) or the Declarant for which services such Owner or Declarant shall be assessed in accordance with this Declaration as a Special Assessment.

The cost of such maintenance may be assessed as a Special Assessment against a Unit Owner, or against the Lots or Units,

9.17 Use of Land. No Improvement or any portion of The Golf Club shall be used for any purpose other than residential; provided however that temporary uses by Declarant, its affiliates and designees for model homes, sales displays, parking lots, sales offices and other offices, or any combination of such uses shall be permitted until Declarant shall determine that such use is no longer needed.

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9.18 Exterior Colors. The exterior colors of all Improvements shall remain the colors initially established by Declarant. Unless approved by the Committee, all brick exteriors shall remain as such and shall not be painted, stuccoed or otherwise altered.

9.19 Satellite Dishes, Exterior Antennas. No satellite dishes, exterior radio antenna, television antenna, citizens band antenna or any other antenna of any type or nature shall be permitted in The Golf Club without the Committee's prior written approval.

9.20 Motor Vehicles, Boats and Boat Trailers. No trucks, commercial vehicles, recreation vehicles, campers, derelict automobiles, boats or boat trailers may be parked in The Golf Club

9.21 Windows, Interior Window Treatments, and Shutters. No Owner shall place aluminum foil on either the interior or exterior surface of any exterior window or glass door. No Owner shall install any interior window treatment other than the type and specification provided by the Declarant at the time Declarant first transfers the Townhome or as subsequently approved by the Association. No storm shutters shall be installed without the Committee's prior written approval.

9.22 Exterior Lighting. No Owner shall install exterior lighting (in addition to such exterior lighting as originally provided for the Townhome Unit by Declarant) without the Committee's prior written approval.

9.23 Use of Limited Residential Common Properties. It is hereby declared that certain areas may be erected, improved designed and maintained solely to provide recreational facilities, meeting areas, roadways, accessways, parks, and such other use as the Association shall approve for the benefit of the Owners of Residential Units and Parcels and their guests and invitees. Such areas shall be as designated and shown upon any recorded, plat within The Golf Club and as modified from time to time by the Declarant or the Association by additions to or deletions from such Limited Residential Common Properties. Such Limited Residential Common Properties shall be subject to assessment as a Special Assessment District pursuant to Article 6.

9.24 Fences. No fences shall be permitted within The Golf Club unless installed by Declarant during construction periods or as otherwise approved by Declarant or the Committee.

9.25 Alteration and Use of Conservation Areas. The Conservation Areas may not be altered from their present condition with the exception of exotic or nuisance vegetation removal, or restoration in accordance with the restriction plan included in the conservation easement or as otherwise approved by the South Florida

Water Management District. Exotic vegetation may include Melaleuca, Brazilian Pepper, Australian Pine, and Japanese Climbing Fern. Nuisance vegetation may include Cattails, Primrose Willow and Grape Vine. The only use permitted for the Conservation Areas are uses consistent with the conservation easement granted for such areas. Activities prohibited within the conservation areas include, but are not limited to: construction or placing soil or other substances such as trash removal or destruction of trees, shrubs, or other vegetation - with the exception of exotic/nuisance vegetation removal; excavation, dredging, or removal of soil material; diking or fencing; and any other activities detrimental to drainage, flood control, water conservation, erosion control, or fish and wildlife habitat conservation or preservation.

ARTICLE 10
SECURITY AND TELECOMMUNICATION SYSTEM

10.1 Installation. Declarant hereby reserves unto itself and its designees, successors, assignees and licensees the right (though no obligation is hereby assumed) to construct or install over, under, across and upon any portion of The Golf Club for the used of the Owners and their permitted or authorized guests, invitees, tenants, and family members a security and/or telecommunications system (the "System") the exact description, location and nature of which have and hereby reserves to itself and its designees, successors, assignees and licensees a perpetual and exclusive right, privilege, easement and right-of-way for the installation, construction and maintenance of the System (scope, extent, size and the location of which over, across, upon and through The Golf Club shall be determined solely by Declarant, its successors, designee and assigns from time to time) together with a perpetual and exclusive right and privilege of (i) unlimited ingress and egress thereto for installing, constructing, inspecting, maintaining, altering, moving, improving, and replacing the facilities and equipment constituting the System including, without limitation, any towers, antennas, conduits, wires, cables, lines, panels, boxes, housings, connections, insulators and amplifiers necessary or desirable to receive and distribute services of the System including, without limitation, television and radio signals, surveillance, fire, police and emergency medical protection; and (ii) transmitting (the facilities and equipment of which shall be owned and exclusively controlled by Declarant, its successors and assigns or its designees).

10.2 System Services. Declarant shall have the right to enter contracts for the exclusive provision of the System as Declarant or its successor (including the Association) shall deem, in its sole discretion, to be in the best interests of the Project. The contract may provide that the basic System shall be mandatory for all Owners.

The contract for the System may also provide as follows:

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A. Every Unit shall be subject to a charge, payable per Unit on the first day of each month or quarter in advance, for basic cable television programming services and basic surveillance services.

B. Every association within the Project shall impose, along with common expense assessments and its regular maintenance assessment, against each Unit contained within the association, the amount of the basic fees due and payable for the System and shall collect same and forthwith remit the amount collected to the Contractual Designee providing the System services.

C. Every Unit Owner hereby agrees that the Association or the applicable association within the Project responsible for collection of the said fee and their respective successors and assigns shall have a lien upon such Unit for the respective charges.

D. Any mortgagee becoming a Unit owner by reason of foreclosure of its mortgage or by accepting a deed in lieu thereof shall be excused from the payment of fees while it is such Owner and has not placed any other person in possession of such Unit. Where a mortgagee or other Owner of a Unit obtains title to the Unit as a result of the foreclosure of a mortgagee, such acquirer of title, its successors and assigns, shall not be liable for the payment of the aforementioned charges pertaining to such Unit which become due prior and where secured by a recorded lien to acquisition of title in the manner provided above.

E. The Contractual Designee may impose such additional charges for optional System services as is consistent with the rates for such services as approved by any local governmental agency having jurisdiction over the franchising of such services. Such services shall not be mandatory and charges therefor shall be individually billed to the Unit Owner.

F. Declarant may excuse portions of the Project from the provisions of this Article 10 which, in the determination of Declarant, have uses for System services inconsistent with the overall design of such services in the Project as a whole.

G. The term "Contractual Designee" or "Designees" shall mean the company or companies with which Declarant or the Association has contracted for the furnishing of such System services, and may include an affiliate of Declarant.

H. The provisions of this Article 10 shall be effective for a period of fifteen (15) years from and after the date of recordation after which time they shall be extended, automatically, for successive periods of fifteen (15) years initially and two (2) ten (10) year periods thereafter, provided that upon demand of Declarant and/or the Association, or their successors and assigns, given at least one (1) year prior to the

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expiration of each term, the Contractual Designee or Designees, their successors and assigns, update their Systems to the then current state-of-the-art as determined by agreement or, in its absence, by arbitration.

I. Enforcement shall be by an appropriate action at law or in equity against any parties or persons violating or attempting to violate any covenants. The bringing of one action shall not constitute Designee enforces the provisions of this Article 10, it shall be entitled to payment of court costs and reasonable attorney's fees.

ARTICLE 11

DEVELOPER RIGHTS, RESERVATIONS AND EXEMPTIONS

11.1 Declarant's Rights. Declarant hereby reserves to itself, and the grantee of any Unit or other property within The Golf Club hereby agrees, by acceptance of a deed of conveyance thereto, that Declarant shall have the following rights, without notice or approval, so long as Declarant owns any portion of the Property in The Golf Club, including portion of the Property, Lot or any Townhome Unit owned by Declarant as the result of any reconveyance from a third party to Declarant, or until Declarant causes to be recorded a Certificate of Termination of Interest in The Golf Club (or unless expressly provided to the contrary herein), which Certificate terminates any and all right, title, interest and obligation of Declarant in The Golf Club:

A. The right to replat, vacate or withdraw any area of any platted area from the property subject to this Declaration, provided that Declarant owns all property which is subject to the plat. The invalidization or unenforceability of this right shall in no way affect the enforceability of the other covenants and restrictions contained in this Article, this Declaration or any supplemental declaration. Any such invalidation and unenforceability shall cause this reservation of right to be void.

B. The right to dispense pesticides throughout the Property;

C. The right to retain legal and equitable title to the Common Properties, or to sell, lease or otherwise convey all or any part of its interest in the Property and to demolish, alter or modify in whole or in part, any improvements on the Common Properties;

D. The right to establish easements for itself and others over any portion of the Property which is owned by Declarant;

E. The right to convey, in whole or in part, any easements granted in favor of Declarant, as created in this

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Declaration or as recorded in the Public Records of Monroe County, Florida, which pertain to The Golf Club;

F. The right, for any reason, including, without limitation, in order to meet requirements of any applicable law, code, ordinance, rule or regulation of any governmental or quasi-governmental authority or lending institution or bond issuing authority or development agency or the like, to make changes, amendments, supplements or modifications to any or all of the covenants, restrictions, easements, reservations, agreements, documents or instruments affecting the Property, The Golf Club or any portion thereof, whether recorded, or unrecorded, as Declarant, its successors and assigns, may deem reasonable, necessary, appropriate or convenient, provided that any one of the foregoing singly or taken collectively will not materially adversely affect the Unit of any Owner. The foregoing shall not restrict or limit Declarant, or its successors' and assigns' ability to amend, modify or supplement this Declaration as herein otherwise provided.

G. The right to purchase any Unit where there was a violation of Section 3.3, Section 9.12 or Section 11.5. The price for which Declarant may repurchase shall be (a) in the event of any unimproved Lot, the Repurchase Price shall be the Cost Price paid by the Owner, which Cost Price shall be deemed to be the amount of consideration paid by Owner to Declarant and reported for the computation of Florida state documentary stamp tax due on the conveyances of such Lot by Declarant to Owner, less the outstanding principal balance of any purchase money mortgage note made by Owner to Declarant in connection with Owner's purchase of said Lot; or (b) in the event of a partially improved Lot, the Repurchase Price shall be the then fair market value of the Lot as may be agreed upon by the parties or the value arrived at by a bona fide appraisal in the event of a dispute, exclusive of the value of any improvements erected on said Lot which were not approved by the Association in accordance with the terms of this Declaration. In the event the parties are unable to agree upon the fair market value of the Lot then each shall be entitled to name an appraiser. The two appraisers shall then select a third appraiser. The fair market value of the Lot, as determined by the three appraisers, shall be the amount for which Declarant purchases the Lot (the "Repurchase Price"). The Owner shall deliver a general warranty deed to the Lot in exchange for the Repurchase Price to be paid by Declarant at the closing of the repurchase which shall be held within thirty (30) days following written determination of the Repurchase Price. This right to repurchase shall terminate and be of no further force and effect thirty (30) years from the date of the initial recordation of this Declaration in the Public Records of Monroe County, Florida;

H. The right to erect or grant to an Owner the right to erect temporary buildings on any portion of the Property which is owned by Declarant or title to which has been granted by Declarant to an Owner;

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I. The right to maintain an easement, for construction, reconstruction or repair purposes, across any property within The Golf Club;

J. The right to alter and amend the Zoning Agreements; provided that approval from all governmental agencies having jurisdiction over such Zoning Agreements has been obtained;

K. The right to alter, amend, approve, dispose of, and designate the plan and facilities which provide water and wastewater treatment service and irrigation service to the Property, provided that approval from all governmental agencies having jurisdiction over same has been obtained;

L. The right to maintain a sales office in The Golf Club, including, without limitation, a sales office on a portion of the Common Properties, and to erect signs and to conduct sales throughout The Golf Club;

M. The right to establish the security system in The Golf Club;

N. The right to appoint the members of the Architectural Control Committee for such time as Declarant owns any property in The Golf Club;

O. The right to conduct the development, marketing and sale of property in The Golf Club owned by Declarant or any third party with whom Declarant may so contract to provide such services;

P. During the time Declarant is engaged in construction on The Golf Club, the right to install and maintain a radio communications system;

Q. The right to have affiliates of Declarant engaged to provide management, maintenance and similar services for the Association;

R. An irrevocable power of attorney, coupled with an interest, of all Owners in favor of Declarant, for as long as Declarant owns any portion of the Property or any Unit within The Golf Club, to exercise any of the foregoing or other rights or discharge any of the foregoing or other obligations which may be set forth therein for the benefit of Declarant or as an obligation of any Owner. This power of attorney shall be self-operative and shall not require any additional instrument to effectuate same. An Owner, by acceptance of a deed, thereby acknowledges and confirms (and, to the extent required, grants) the power of attorney set forth herein; and

S. An irrevocable designation and appointment of Declarant, its successors and assigns, by each Owner, as such

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Owner's attorney-in-fact, to execute and deliver any applications for approval, platting, consents, amendments, variance or other documents or instruments as Declarant, its successors and assigns, may from time to time request. The foregoing power-of-attorney, designation and appointment shall be coupled with an interest, shall be self-operative and shall not require any additional instrument to effect same; provided, however, that same shall be limited in time and duration to a period of ten (10) years from and after the date that the initial Owner, other than Declarant or an affiliate of Declarant, takes title to a Unit from Declarant.

11.2. Veto Power. Declarant hereby expressly reserves to itself, and any grantee of any Lot or Unit hereby agrees, by acceptance of a deed of conveyance thereto, that Declarant shall have the right to veto any of all of the following events so long as Declarant owns any part of the Property or The Golf Club, including property owned by Declarant as the result of any reconveyance of property, or until Declarant causes to be recorded a Certificate of Termination of Interest in The Golf Club, which Certificate terminates any and all right, title interest and obligation of Declarant in The Golf Club:

- A. Shoreline contour changes approved by the Association;
- B. Construction of improvements approved by the Association;
- C. Construction of any dune or accessway approved by the Association;
- D. Association approval which permits the conduct of any commercial enterprise within The Golf Club;
- E. Any or all Association budgets, annual or otherwise which constitute an increase or reduction of fifteen percent (15%) over the prior year's (or other applicable interval) budget;
- F. Approval of any plans or specifications for any structure made by the Architectural Control Committee;
- G. Attempted resubdivision of the Property or any part thereof;
- H. Any attempted dissolution or termination of the Association;
- I. Attempted amendment of this Declaration, Articles, and By-Laws, any supplementary declaration of protective covenants and restrictions or the Zoning Agreements;

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J. Any management contracts entered into by the Association or Board;

K. Any reduction to the security system for The Golf Club;

L. Attempted relocation of the sales center used by Declarant, its successors or assigns;

M. The creation of any special assessments by the Association;

N. Any capital improvement assessments by the Association;

O. Any settlement of any claim made by Association to collect upon any policy of casualty insurance which insures the Common Properties;

P. Any attempted cancellation or reduction of insurance coverage insuring all or any part of The Golf Club; and

Q. Any matter adversely affecting Declarant or its interests.

11.3 Right to Alter Limited Common Properties and Common Properties. Declarant hereby reserve the right, in their sole discretion, as follows:

A. to alter all or any portion of the Common Properties and/or Limited Common Properties to which Owner holds title, but not to remove from status as Common Properties;

B. to mortgage all or any portion of the Common Properties to which Owner holds title; provided that the Common Properties shall be free of mortgages at time of conveyance to the Association.

11.4 Declarant's Additional Reserved Rights. Notwithstanding anything herein to the contrary, Declarant shall have the right, with respect to the development of The Golf Club, to construct buildings and Townhome Units and other Improvements and install landscaping of such type, nature, shape, height, color, materials and location as Declarant shall determine in its sole and absolute discretion; provided, however, that same shall comply with the applicable building codes and County zoning laws in force at that time. Until such time as Declarant shall own no Land or Townhome Units within The Golf Club, Declarant shall be entitled to place on Land and/or Townhome Units owned by Declarant temporary construction or sales trailers and other temporary facilities and

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conduct its sales and marketing efforts as Declarant shall deem appropriate.

11.5 Declarant's Rights to Repurchase. Declarant shall have the following repurchase rights:

A. Right of First Refusal. Any Unit Owner who receives a bona fide offer to purchase his Unit (such offer to purchase a Unit, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror", and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept, shall within five (5) days following receipt of such Outside Offer give notice by certified mail, return receipt requested, to Declarant of the receipt of such Outside Offer. Said notice shall be accompanied by a copy of the written Outside Offer and shall state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as Declarant may reasonably require. The giving of such notice to Declarant shall constitute an offer by such Unit Owner to sell his Unit to Declarant or its designee upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Unit Owner who has received such Outside Offer to Declarant that such Unit Offer believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as Declarant may reasonably request. Not later than thirty (30) days after receipt of such notice, together with such further information as may have been requested, Declarant or its designee may elect, by sending written notice to such Offeree Unit Owner before the expiration of said thirty (30) day period by certified mail, to purchase such Unit upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. In the event Declarant or its designee shall fail to accept such offer within said thirty (30) day period, the Offeree Unit Owner shall be free to accept the Outside Offer within sixty (60) days after (i) notice of release of Declarant's right of first refusal; or (ii) the expiration of the period within which Declarant or its designee might have accepted such offer, as the case may be. In the event the Offeree Unit Owner shall not, within such sixty (60) day period, accept, in writing, the Outside Offer or if the Offeree Unit Owner shall accept the Outside Offer within such sixty (60) day period, but such sale shall not be consummated in accordance with the terms of such Outside Offer or within a reasonable time after the date set for closing thereunder, then, should such Offeree Unit Owner thereafter elect to sell such Unit, the Offeree Unit Owner shall be required to again comply with all of the terms and provisions of this Section. Any deed to an Outside Offeror shall provide (or shall be deemed to provide) that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws, the Articles of Incorporation, applicable rules and regulations and all other agreements, documents or instruments affecting The Golf Club

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or administered by Declarant, as the same may be amended from time to time.

B. Sale Voidable. Any purported sale of a Unit in violation of this Section shall be voidable at any time at the election of Declarant, and Declarant shall have the right to institute legal proceedings to void the conveyance. Said Unit Owner shall reimburse Declarant for all expenses (including attorneys' fees and disbursements incurred in connection with such proceedings).

C. Release by Declarant of the Right of First Refusal. The right of first refusal contained in this Section 11.5 may be released or waived by Declarant only in the manner provided in subsection 11.5D hereof. In the event Declarant shall release or waive its right of first refusal as to any Unit, such Unit may be sold or conveyed to the Outside Offeror.

D. Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by Declarant stating that the provisions of this Section 11.5 have been satisfied by a Unit Owner, or stating that the right of first refusal contained therein has been duly released or waived by Declarant and that, as a result thereof, the rights of Declarant thereunder have terminated (as to that sale only) shall be conclusive with respect to all persons who rely on such certificate in good faith. Declarant shall furnish such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated or been waived. No fee shall be charged by Declarant in connection with the furnishing of such certificate.

E. Exceptions. The provisions of this Section 12 shall not apply with respect to any sale, transfer, gift or conveyance of any Unit by (i) the Unit Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or a trustee, corporation or other entity where the Unit Owner or the aforementioned related persons are and continue to be the sole beneficiary or equity owner of such trust, corporation or other entity, or to any one or more of the above, (ii) the Declarant, (iii) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of foreclosure, or (iv) an institutional first mortgagee (or its designee) deriving title by virtue of foreclosure of its mortgage or acceptance of a deed in lieu of foreclosure; provided, however, that each succeeding Unit shall be bound by, and his Unit subject to, the provisions of this Section 11.5.

F. Restriction Upon Sale of Unimproved Lot. Except as may be otherwise agreed by Declarant in writing, no Owner shall sell or otherwise transfer by deed, agreement for deed or otherwise, its interest whether legal, equitable or otherwise in an unimproved Lot

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for a period of two (2) years from the date of closing on the transfer of said Lot to said Owner by Declarant. This provision shall not restrict the Owner's right to mortgage said Lot in connection with a construction or similar loan to finance the cost of improvements to be made to said Lot nor prohibit the acquisition and resale by any such mortgagee of title to such Unit or Parcel by foreclosure or by deed in lieu thereof within said two (2) year period.

ARTICLE 12
DECLARANT'S EXEMPTIONS

No Owner nor the Association shall do anything to interfere with Declarant's activities at The Golf Club. As used in this Section and its subparagraphs, the words "its successors or assigns" specifically do not include purchasers of individual Units. Without limiting the foregoing, nothing in this Declaration shall be construed or interpreted to:

A. Prevent Declarant, its successors or assigns, or its or their agents, contractors or subcontractors, from doing on any property owned by them or on the Common Properties whatever they determine to be necessary or advisable in connection with the completion of said work, including without limitation, the alteration and removal of Improvements and the reallocation of any use thereon and the termination of services as Declarant deems advisable in the course of development (all models or sketches showing plans of The Golf Club may be modified by Declarant at any time and from time to time, without notice to any Owner, prospective Owner, or other person or entity); or

B. Prevent Declarant, its successors or assigns, or its or their contractors, subcontractors or representatives, from erecting, constructing and maintaining on any portion of the Property owned or controlled by them or on the Common Properties, such structures as may be reasonably necessary in Declarant's judgment for the conduct of its or their business of completing said work and establishing The Golf Club as a community and disposing of the same by sale, lease or otherwise; or

C. Prevent Declarant, its successors or assigns, from determining in its sole discretion the nature of any type of Improvements to be included as part of The Golf Club, including Improvements on the Common Properties; or

D. Prevent Declarant, its successors or assigns, or its or their contractors, subcontractors or representatives, from erecting, maintaining, altering or otherwise using signs on the Property owned or controlled by any of them or on the Common Properties as may be necessary in connection with the sale, lease, operation or marketing of Units or Lots, or otherwise from taking such other actions deemed appropriate in connection with such signs.

In general, Declarant shall be exempt from all restrictions set forth in this Declaration to the extent such restrictions interfere in any manner with the Declarant's plans for operation, construction, development, use, sale or other disposition of the Property and/or The Golf Club, or any part thereof.

ARTICLE 13
DAMAGE OR DESTRUCTION TO COMMON PROPERTIES

Damage to or destruction of all of any portion of the Common Properties shall be handled in the following manner, notwithstanding any provision in this Declaration to the contrary:

A. In the event of damage to or destruction of the Common Properties, if the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such Common Properties to be repaired and reconstructed substantially as it previously existed.

B. If the insurance proceeds are within One Million Dollars (\$1,000,000.00) or less of being sufficient to effect total restoration to the Common Properties, then the Association shall cause such Common Properties to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Reconstruction Assessment against each of the Owners, in accordance with the provisions of Article 6 of this Declaration.

C. If the insurance proceeds are insufficient by more than One Million Dollars (\$1,000,000.00) to effect total restoration to the Common Properties, then by written consent or vote of two-thirds (2/3) of the Members, they shall determine whether (1) to rebuild and restore the Common Properties in substantially the same manner as they existed prior to damage and to raise the necessary funds over the insurance proceeds by levying Reconstruction Assessments against all Owners, (2) to rebuild and to restore in a way which is less expensive than replacing these Improvements in substantially the same manner as they existed prior to being damaged, or (3) subject to the approval of the Committee, not to rebuild and to retain the available insurance proceeds. Anything to the contrary herein notwithstanding, no decision not to rebuild or to rebuild in a manner which would result in a change in the Improvements shall be effective without the written approval of the Committee, which can require rebuilding as it deems appropriate.

D. Each Owner shall be liable to the Association for any damage to the Common Properties not fully covered by collected insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family, tenants, guests

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and invitees, both minor and adult. Notwithstanding the foregoing, the Association reserves withstanding the foregoing, the Association reserves the right to charge such Owner a Special Assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Owner. In the case of joint ownership of Property, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be a Special Assessment against the Unit or Parcel or other Class of Property and may be collected as provided herein for the collection of Special Assessments.

ARTICLE 14
Insurance and Reconstruction

14.1 Owner's Casualty Insurance. Each Owner shall bear the risk of loss and damage to his Townhome Unit and any and all furniture, personal effects and other personal property belonging to him or carried on his person which property is located either in the Townhome Unit or in or on the Common Properties. The foregoing shall not apply: (1) to any property constituting a portion of the Common Properties; or (2) to fixtures, installations or additions covered by the Association's casualty policy as provided in this Declaration. Each Owner may, at his own expense, obtain insurance coverage for loss of or damage to his Townhome Unit and personal property.

14.2 Owner's Liability Insurance. Each Owner shall be liable for injuries or damages resulting from an accident in his own Townhome Unit, to the same extent that a homeowner would be liable for an accident occurring within his house. Each Owner may, at his own expense, obtain insurance coverage against personal liability for injury to the person or property of another while within such Owner's Townhome Unit or upon the Common Properties. No Owner shall be liable personally for any damages caused by the Association in connection with the use of the Common Properties.

14.3 Requirements Concerning Owner's Insurance. All such insurance obtained by any Owner shall, wherever available, state that the insurer waives its right of subrogation as to any claims against: (1) other Owners; (2) the Association; and (3) the respective servants, agents and guests of other Owners.

14.4 Reconstruction of Townhome Unit. In the event of loss or damage to a Townhome Unit, the Owner, with all due diligence, shall repair, replace and restore such damaged or destroyed portions of the Townhome Unit to a condition as good as that before such loss or damage: (1) in accordance with the original plans and specifications for the building; or (2) as the building was last constructed; or (3) in accordance with plans approved by the Board of Administration. If the Owner shall refuse or fail to commence repair, replace or restore his Townhome Unit within thirty (30)

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days, or to complete such work within six (6) months, the Association may repair, replace or restore the Townhome Unit and charge the Owner for the cost of such work. The Association shall have a lien on the Townhome Unit to secure such cost.

14.5 Association's Casualty Insurance. The Association shall maintain casualty insurance covering all buildings, including fixtures, installations or additions comprising parts of the buildings within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Townhome Units initially installed or replacements thereof, in accordance with the original plans and specifications, together with all service machinery contained therein, in an amount not less than 100% of the replacement value thereof (subject to reasonable deductible clauses), excluding foundation and excavation costs, all as determined annually by the Board. Such coverage shall afford protection against: (1) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and (2) such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism and malicious mischief. Coverage shall not include floor coverings, wall coverings or ceiling coverings. With respect to the coverage provided in this paragraph, the Owners shall be considered additional insureds under each policy. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of prorata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Townhome Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Institutional Lenders at least ten (10) days prior to the expiration of the current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the buildings (exclusive of foundation), including all of the Townhome Units and all of the Common Properties therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be obtained pursuant to this Article.

14.6 Association's Liability Insurance. The Association shall maintain comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with The Golf Club or adjoining driveways and walkways, or any work, matters or things related to The Golf Club or to this Declaration and its exhibits, with such coverage as shall be required by the Board, but with combined single limit liability of not less than \$1,000,000 for each accident or occurrence, \$300,000 per person and \$50,000