

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS

FOR

THE VILLAGE AT BOCA RIO

THIS DECLARATION is made on this 29th day of June, 1985, by THE VILLAGE AT LAKE BOCA RIO, INC., a Florida corporation (hereinafter referred to as "Declarant").

RECITALS:

WHEREAS, Declarant owns certain property in the County of Palm Beach, State of Florida, which is more particularly described in Exhibit "A" attached hereto (hereinafter referred to as "The Village at Boca Rio Complex"); and

WHEREAS, Declarant intends to create a residential community upon a portion of The Village at Boca Rio Complex pursuant to a general plan of development and eventually to extend such residential community to include all of The Village at Boca Rio Complex; and

WHEREAS, the general plan of development conceived by Declarant contemplates that various portions of The Village at Boca Rio Complex shall be set aside for the collective use of all of the residents of the community created by Declarant upon all or a portion of The Village at Boca Rio Complex; and

WHEREAS, Declarant is desirous of preserving and enhancing the value of the dwelling units which it builds upon Lots within The Village at Boca Rio Complex and of promoting their owners' and occupants' welfare, and accordingly, Declarant wishes to submit certain portions of The Village at Boca Rio Complex to various easements, covenants, restrictions, conditions, reservations, equitable servitudes, liens and charges, all running with the said properties as hereafter set forth; and

WHEREAS, in order to promote the objectives described above, Declarant has formed a non-profit corporation known as The Village at Boca Rio Homeowners' Association, Inc. to maintain, administer and eventually own various portions of The Village at Boca Rio Complex intended to be used by all or a segment of the owners of dwelling units constructed upon Lots within The Village at Boca Rio Complex and to enforce the covenants, restrictions, conditions, reservations, easements, equitable servitudes, charges and liens created or provided for by this Declaration; and

WHEREAS, Declarant is further desirous of making provision for the execution, acknowledgment and recordation of supplemental or amendatory declarations for so long as Declarant owns any portion of The Village at Boca Rio Complex and for providing in such supplemental or amendatory declarations such further conditions, covenants and restrictions for the

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operation, amenities, protection and maintenance of The Village at Boca Rio Complex as may be necessary or then desired; and

WHEREAS, Declarant's general plan of development contemplates the construction (upon Lots within the portions of The Village at Boca Rio Complex expressly declared as the Properties) of various clusters of townhome and villa dwelling units, each of which will share one or more party walls with one or more other such dwelling units.

NOW, THEREFORE, the Declarant declares that the real property described in Exhibit "A" hereto (including any and all Improvements thereon), together with such additions thereto as are hereafter made pursuant to this Declaration 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 Village at Boca Rio Complex, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability thereof, and in furtherance of a general plan for the protection, maintenance, improvement and sale of dwelling units upon The Village at Boca Rio Complex, or any portion thereof. The covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein and 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 Lots upon 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, by the Association, and by the Declarant and its successors and assigns so long as it or they own any portion of The Village at Boca Rio Complex expressly declared as the Properties.

ARTICLE I.
DEFINITIONS

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

Section 1. "Architectural Committee" shall mean the committee created pursuant to Article X hereof.

Section 2. "Articles" shall mean the Articles of Incorporation of The Village at Boca Rio Homeowners' Association, Inc. which have been filed in the office of the Secretary of the State of Florida, a true copy of which is attached hereto, marked Exhibit "F" and incorporated herein by reference, as such Articles may be amended from time to time.

Section 3. "Association" shall mean The Village at Boca Rio Homeowners' Association, Inc., a Florida non-profit corporation, and its successors and assigns.

Section 4. "Assessment" shall mean any of the types of assessments defined below in this Section.

(a) "Common Assessment" shall mean the charge against each Owner and his Townhome and/or Villa Dwelling Unit, as the case may be, representing a portion of the total costs incurred by the Association in owning, maintaining, improving, repairing, replacing, insuring, managing and operating the Common Properties.

(b) "Special Assessments" shall mean a charge against one or more (but not all) Owners and their Townhome and/or Villa Dwelling Units, as the case may be, equal to the cost incurred by the Association in connection with the enforcement of the provisions of this Declaration.

(c) "Reconstruction Assessment" shall mean a charge against each Owner and his Townhome and/or Villa Dwelling Unit, as the case may be, representing a portion of the cost incurred by the Association for reconstruction of any portion or portions of the Improvements on the Common Properties pursuant to the provisions of this Declaration.

(d) "Capital Improvement Assessment" shall mean a charge against each Owner and his Townhome and/or Villa Dwelling Unit, as the case may be, representing a portion of the cost incurred by the Association for installation or construction of any Improvements on any portion of the Common Properties which the Association may from time to time authorize.

Section 5. "Board" shall mean the Board of Directors of the Association elected in accordance with the By-Laws of the Association.

Section 6. "Building" shall mean any building upon the Properties containing one or more Villas and, in addition, any building upon the Properties containing one or more Townhomes.

Section 7. "By-Laws" shall mean the By-Laws of the Association, which have been or shall be adopted by the Board substantially in the form of Exhibit "G" attached hereto and incorporated herein by this reference, as such By-Laws may be amended from time to time.

Section 8. "Common Expenses" shall mean the actual and estimated costs of ownership, maintenance, management, operation, repair and replacement of the Common Properties (including unpaid Special Assessments, Reconstruction Assessments and Capital Improvement Assessments and including those costs not paid by the Owner responsible for payment); the costs of any and all commonly metered utilities, cable or master television charges, and other commonly metered charges for the Common Properties; 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 Properties and all recreational facilities thereon; the costs of fire, casualty and liability insurance, workmen's compensation insurance, and other insurance covering the Common Properties; the costs of bonding of the

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members of the Board and any management body; taxes paid by the Association, including real property taxes for the Common Properties; amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Properties, 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 Properties for the benefit of the Owners; and reserves for capital improvements and deferred maintenance of the Common Properties.

Section 9. "Common Properties" shall mean those portions of The Village at Boca Rio Complex which are more particularly described in Exhibit "E" hereto (including all Improvements thereon) and, in addition, such portions of The Village at Boca Rio Complex (together with all Improvements thereon) as are declared to be Common Properties in any Supplemental Declaration, less whatever portions of The Village at Boca Rio Complex are declared to be withdrawn from the provisions of this Declaration in any Supplemental Declaration.

Section 10. "Declaration" shall mean (except as otherwise provided in Section 16 of this Article) this instrument as it may be amended from time to time, together with any supplemental declarations.

Section 11. "Declarant" shall mean and refer to The Village at Lake Boca Rio, Inc., a Florida corporation, and any successor or assign thereof, which acquires any portion of The Village at Boca Rio Complex from the Declarant for the purpose of development and to which The Village at Lake Boca Rio, Inc. specifically assigns all or part of the rights of the Declarant hereunder by an express written assignment recorded in the Palm Beach County, Florida, Public Records.

Section 12. "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), employees, agents, independent contractors (including both general contractors and sub-contractors), suppliers, visitors, licensees and invitees.

Section 13. "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 14. "Family" shall mean (a) a group of natural persons related to each other by blood or legally related to each other other than by marriage or adoption, or (b) a group of not more than six (6) persons not so related who maintain a common household in a Dwelling Unit.

Section 15. "Improvement" shall mean all structures or artificially created conditions and appurtenances thereto of every type and kind located upon the Properties which may, but not necessarily, include buildings, swimming pool, pool equipment building, racquetball and basketball courts, walkways, sprinkler pipes, gatehouses, road, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, plantings, planted trees

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and shrubs, poles, signs, exterior air conditioning, heating and water-softener fixtures or equipment.

Section 16. "Initial Declaration" shall mean this Declaration as initially recorded in the Public Records of Palm Beach County, Florida.

Section 17. "Institutional Mortgage" shall mean a first mortgage upon a Dwelling Unit held by an institutional mortgagee.

Section 18. "Institutional Mortgagee" shall mean any bank, savings and loan association, insurance company, mortgage company, real estate investment trust, agency of the United States government, or a lender generally recognized in the community as an institutional lender if it holds a mortgage on one or more Lots, as well as the Declarant, and any assignee of a loan made by one of the foregoing to finance the purchase of a Villa or a Townhome.

Section 19. "Limited Common Properties" shall mean any portions of the real property described in Exhibit "B" hereto that are declared by this Declaration (including any supplemental declaration) to be for the use of fewer than all the owners.

Section 20. "Lot" shall mean one of the plots of land designated as a "Lot" (each of which bears a separate identification number) and described in Exhibit "C" hereto together with the improvements thereon and any portion of The Village at Boca Rio Complex that is declared to be a Lot by a Supplemental Declaration and is not subsequently withdrawn from the provisions of this Declaration by a Supplemental Declaration. Exhibit "C" hereto shall depict the Plat for all or a phase of The Village at Boca Rio, a Palm Beach County, Florida planned unit development.

Section 21. "Management Company" shall mean the person, firm or corporation which may be appointed by the Association hereunder as its agent and delegated certain duties, powers or functions of the Association.

Section 22. "Member" shall mean any person or entity holding a membership in the Association as provided herein.

Section 23. "Notice and Hearing" shall mean written notice and a public hearing before a tribunal appointed by the Board, at which the Owner concerned shall have an opportunity to be heard in person or by counsel at Owner's expense, in the manner further provided in the By-Laws.

Section 24. "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 and sellers under the executory contracts of sale, but excluding those having such interests merely as security for the performance of an obligation and excluding purchasers under executory contracts of sale of a Lot. For purposes of Article XIII only, unless the context otherwise requires, Owner shall also include the family, invitees, guests, licensees and lessees and sublessees of any Owner, and any other permitted occupants of a Unit.

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Section 25. "Percentage Share of Assessments" shall mean and refer to the Percentage Share of the Assessments (as described in Section 4 of this Article) attributable to each Lot upon the Properties all as more particularly described in Exhibit "I" attached hereto and incorporated herein by this reference. In the event that additional lands are added to the Properties in accordance with the phased plan for development of the Complex, then the Percentage Share of Assessments shall be in accordance with the applicable portions of Exhibit "J" hereto, provided always, however, that in the event of a conflict between Exhibits "I" and/or "J" and the provisions of Section 10, Article IX, hereof the provisions of the latter shall govern and control.

Section 26. "Person" shall mean a natural individual or any other entity which the legal right to hold title to real property.

Section 27. "Properties" shall mean the property described in Exhibit "B" hereto (including all Improvements thereon), and, in addition, whatever portions of The Village at Boca Rio Complex (together with all Improvements thereon) are declared to be Properties in any Supplemental Declaration, less whatever portions of The Village at Boca Rio Complex (together with all Improvements thereon) are declared to be withdrawn from the provisions of this Declaration in any Supplemental Declaration.

Section 28. "Record, Recorded, Filed and Recordation" shall mean, with respect to any document, the recordation of such document in the office of the Clerk of the Circuit Court of Palm Beach County, Florida.

Section 29. "Supplemental Declaration" shall mean any instrument recorded by Declarant in the Public Records of Palm Beach County, Florida, for the purpose of supplementing or amending this Declaration, for the purpose of declaring certain properties to be Common Properties or Limited Common Properties, for the purpose of withdrawing properties from the Properties, or for the purpose of adding or withdrawing Lots.

Section 30. "The Village at Boca Rio Complex" shall mean the real property described in Exhibit "A" hereto.

Section 31. "Townhome" shall mean that certain dwelling unit now or hereafter constructed upon a Lot (as defined in Section 20 of this Article), which dwelling unit is more particularly designated as a Townhome in Exhibit "D" hereto and which dwelling unit is intended for use as a family residence.

Section 32. "Villa" shall mean that certain dwelling unit now or hereafter constructed upon a Lot (as defined in Section 20 of this Article), which dwelling unit is more particularly designated as a Villa in Exhibit "D" hereto and which dwelling unit is intended for use as a family residence.

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ARTICLE II.
GENERAL PLAN OF DEVELOPMENT

Section 1. THE VILLAGE AT BOCA RIO COMPLEX. The Declarant's general plan of development of The Village at Boca Rio Complex, as more particularly described in Exhibit "A" attached hereto, contemplates the construction of residential Dwelling Units thereon and, further, that various portions of The Village at Boca Rio Complex shall be set aside for the collective use of all of the residents thereof. The Declarant's general plan of development further contemplates that such residential Dwelling Units shall be whatever types of structures the Declarant may choose and in whatever forms of ownership the Declarant may choose. Declarant's general plan of development of The Village at Boca Rio Complex may also include whatever facilities and amenities the Declarant considers in its sole judgment to be appropriate to the community contemplated by the plan. At no time, however, shall more than two hundred fifty (250) Dwelling Units be made subject to lands declared as the Properties under this Declaration.

At this juncture, Declarant is submitting to the terms of this Declaration which are declared to be applicable to it, the real property described in Exhibit "A" and referred to herein as The Village at Boca Rio Complex. However, the portion of The Village at Boca Rio Complex referred to herein as the "Properties", means and refers to the real property more particularly described in Exhibit "B" hereto and as more particularly defined in Section 26 of Article I hereinabove. Declarant's general plan of development of The Village at Boca Rio Complex contemplates the implementation of the plan more fully described in Section 3 of this Article II, subject to Declarant's reservations or rights as more fully set forth herein. Declarant's general plan of development of the Properties contemplates the implementation of the plan more fully described in Section 2 of this Article II, subject to the terms, provisions and conditions of Articles III and IV set forth below.

Section 2. DESCRIPTION OF THE PROPERTIES. The Properties shall, subject to the provisions of Article III below, be comprised of Lots and Common Properties. Dwelling Units are contemplated to be constructed upon the Lots as more particularly described in Exhibit "C" hereto, subject, however, to the provisions of Article IV below. The Dwelling Units and Lots upon which they are located are contemplated to be clustered in fourplex buildings, which buildings shall contain either Townhome Dwelling Units or Villa Dwelling Units, or combinations thereof depending upon the designations therefor, as more particularly set forth in Exhibit "D" hereto.

Declarant's general plan of development for the Common Properties 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 private streets,

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roads, rights-of-ways and sidewalks, roads or rights-of-way dedicated to the public, utility and maintenance buildings, and whatever recreational facilities Declarant may elect, in its sole discretion, to build or have built.

The Village at Boca Rio Complex plan for development contemplates the completion of a recreational area hereafter referred to as the "Recreation Lands". Declarant shall have no obligation to build or have built any recreational facilities whatsoever upon the Recreation Lands (or any other portion of the Common Properties) until and unless title to one hundred forty-eight (148) Lots together with Townhomes or Villas thereon upon the Properties have been conveyed to purchasers thereof. In the event that the one hundred forty-eight (148) Lots are sold and closed upon, it is contemplated that Recreation Lands may contain a bath house, a swimming pool together with pool deck, a barbecue facility and pavilion, picnic area, tot lot, two indoor racquetball courts, a basketball half-court, and dock area, tennis courts.

Section 3. DESCRIPTION OF THE COMPLEX. The Village at Boca Rio Complex is expected to be comprised of the Properties, Lots, and Common Properties, and other lands, all as more particularly defined by this Initial Declaration. With respect to the balance of the Complex not presently included in the Properties, Declarant intends to add same but, shall in no way be obligated to add same, by Supplemental Declaration(s) pursuant to which Declarant may declare the same to be additional portions of The Properties, Lots or Common Properties, as the case may be. In the event, however, that Declarant does develop all or portions of the same, then such portions shall be added by Supplemental Declaration(s). The real property comprising The Village at Boca Rio Complex is more particularly described in Exhibit "A" hereto.

Declarant contemplates that it may construct, but it shall not be obligated to construct, upon The Village at Boca Rio Complex, two hundred twenty-four (224) Dwelling Units and that such plan of development may be undertaken in three (3) distinct phases, each of which is to be comprised of The Properties, containing Lots and Common Properties thereon. The first phase (sometimes referred to as Phase 1) shall mean and refer to The Properties as defined and described in the Initial Declaration, the description for which and plan for development thereof is more particularly described in Section 2 of this Article II. Declarant contemplates that the second and third phases (sometimes referred to as Phases 2 and 3 respectively) will contain sixty (60) Dwelling Units (as to Phase 2) and seventy-six (76) Dwelling Units (as to Phase 3). The implementation of any such development of Phases 2 and/or 3 shall be in accordance with Declarant's plan for addition or withdrawal of The Properties, Lots and/or Common Properties as more particularly set forth in the Initial Declaration.

Construction and development of the portions of The Village at Boca Rio Complex which have not been declared as The Properties (together with Lots and/or Common Properties thereon) is a projected plan of development

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only and nothing contained herein shall be construed as making it obligatory upon Declarant to construct such balance of The Village at Boca Rio Complex (except for The Properties, Lots, Common Properties and Improvements thereon in accordance with its duties but subject to its reservations as described in the Initial Declaration) or, if constructed, to construct the same in accordance with the contemplated plan for development. In fact, unless Declarant declares by Supplemental Declaration the balance of The Village at Boca Rio Complex (other than The Properties as defined by the Initial Declaration) to be additional lands added to The Properties, any improvements which may be constructed thereon may be used in any fashion which Declarant in its sole discretion desires.

Declarant expressly reserves the rights, as to the balance of The Village at Boca Rio Complex (other than The Properties as defined by this Initial Declaration together with Lots, Common Properties and Improvements thereon) to: (i) commence construction and development of such other phases if and when Declarant so desires; (ii) develop any phase before any other phase or develop phases simultaneously; (iii) withhold construction of any phase or of any Improvements upon such balance of The Village at Boca Rio Complex Land or of any portion thereof; (iv) sever one or more phases of development into two or more phases; (v) develop the balance of The Village at Boca Rio Complex upon such time table as it in its sole discretion chooses; and (vi) modify the plan for development of the balance of The Village at Boca Rio Complex in such manner as it, in its sole discretion, chooses. Nothing contained herein shall be construed as obligating Declarant to construct any future phases or to construct such phases according to the present plan of development. In the event that any portion of The Village at Boca Rio Complex not declared as the Properties is developed by Declarant or its successors in interest, the record titleholder thereof shall be free to develop such lands in accordance with such plan of development (including, without limitation, dwelling unit density) as it in its sole discretion deems necessary or appropriate; said real property being bound only by the provisions of this declaration which are declared to be applicable to The Village at Boca Rio Complex, but not such provisions which are declared to be applicable to the Properties. In the event, however, that any portion of The Village at Boca Rio Complex is not declared as the Properties, and development thereof in whole or part is undertaken by the Declarant or its successor in interest, any such development shall be in accordance with the approved master plan and approved site plan for the Complex, and in accordance with all special exceptions approved by the Palm Beach County Board of Commissioners in connection therewith, or such lawful variances from or modifications of the foregoing may be authorized from time to time; provided always, however, that any such development shall be in accordance with the ordinances of Palm Beach County, Florida.

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Section 4. ABSENCE OF OBLIGATION. Declarant's general plan of development is flexible and dynamic and thus, nothing in this Article II shall obligate Declarant to develop The Village at Boca Rio Complex in accordance with its general plan of development as described hereinabove. Likewise, nothing in this Article II shall obligate Declarant to develop the Properties in accordance with its general plan of development or in accordance with Exhibit "D" hereto. In the event that Declarant shall sell and convey title to all of the Lots upon the Properties, and thereafter declare additional phases to constitute the Properties, Declarant shall and hereby does reserve the absolute right in its sole discretion to develop the Recreation Lands in such manner as it deems fit including, but not limited to, the modification, expansion, elimination, replacement, substitution, and/or alteration of any proposed improvements thereon as described in Section 2 of this Article II.

Section 5. COMPLETION OF COMMON PROPERTIES. Subject to Declarant's reservations of rights pursuant to this Declaration (and, in particular, Articles III and IV hereof), Declarant covenants that, by the time of its conveyance of each Lot hereunder, it shall have completed improvements to or serving the Common Properties to an extent (i) sufficient to provide paved access for pedestrian and vehicular traffic from the public roadway adjacent to the Properties (and abutting the easterly border of the Complex) to such Lot, (ii) sufficient to provide paved parking for the Owner of such Lot in accordance with the plan for development disclosed in this Declaration and (iii) sufficient to provide lawn and green areas (and such other landscaping as Declarant deems appropriate or necessary) about such Lot.

ARTICLE III.

ADDITIONS TO AND
WITHDRAWALS FROM THE PROPERTIES

Section 1. ADDITIONS. Declarant may from time to time, by recording appropriate Supplemental Declarations in the Public Records of Palm Beach County, Florida, add all or portions of The Village at Boca Rio Complex (including the Improvements on those portions) to the Properties created by the Initial Declaration, and may declare all or part of such additional property (including any Improvements thereon) to be Common Properties. To be effective, any such Supplemental Declaration must be executed by both the Declarant and the record fee owner or owners, if any, of the property which the Supplemental Declaration purports to add to the Properties. The execution of a joinder in or consent to any such Supplemental Declaration by Owners, mortgagees, lienors or the Association shall not be necessary for such Supplemental Declaration to be effective and the joinder in or consent to this Initial Declaration by any such parties shall constitute full acknowledgment and approval of the foregoing. Any such Supplemental Declaration may submit the properties added by it to such additions to and modification of the

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Covenants and Restrictions contained in the Initial Declaration as may be necessary or convenient, in the Declarant's judgment, to reflect or adapt to any changes in circumstances or difference in the character of the added properties. Without limiting the generality of the preceding sentence, any Supplemental Declaration may declare any part or all of any Properties added by it to be Limited Common Properties for the specific use of only certain of the Owners. Such Owners may either be specifically designated in the Supplemental Declaration or may be designated later by the Declarant pursuant to provisions set forth in the Supplemental Declaration, which provisions may authorize the Declarant to charge and retain fees for having assigned the right to use a particular Limited Common Property to a particular Owner or Owners, and may (but need not) subject those Limited Common Properties to specific rules, regulations and provisions with respect to their use and with respect to the payment of expenses relating to them, including provisions that require only those persons who are entitled to use the Limited Common Properties to pay for their operation and maintenance. The rights to charge and retain such fees shall, however, be limited to the event of assignment of Limited Common Property which shall, upon such assignment, be appurtenant to and pass with title to the Lot owned by the Owner to whom such rights have been assigned. Nothing contained in this Section shall be construed to require the joinder by or entitle a right to consent by owners or mortgagees of Lots upon the Properties to any such Supplemental Declaration.

Section 2. DESIGNATION OF ADDITIONAL COMMON PROPERTIES. The Declarant may, from time to time, by recording appropriate Supplemental Declarations in the Palm Beach County, Florida, Public Records, designate portions of the then existing Properties owned by it to be Common Properties.

Section 3. DISCLAIMER OF IMPLICATION. Only the real property described in Exhibit "B" hereto is submitted and declared as The Properties by the Initial Declaration. Unless and until a Supplemental Declaration is recorded in the fashion required by Section 1 of this Article III with respect to it, no portion of the remainder of The Village at Boca Rio Complex shall in any way be deemed to constitute a portion of The Properties or be affected by the Covenants and Restrictions expressly binding The Properties as provided by the terms of this Declaration. Every such portion of The Village at Boca Rio Complex may be freely sold, conveyed or otherwise disposed of by the owner thereof free and clear of any of the covenants and restrictions and other terms of this Declaration relating solely to The Properties, but subject, however, only to the terms and provisions hereof which are expressly declared to be binding upon The Village at Boca Rio Complex in its entirety.

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Section 4. ABSENCE OF OBLIGATION. Nothing in this Declaration shall be construed to require the Declarant to add properties to the Properties created by the Initial Declaration or to require it to declare any part or particular part of any properties added to the Properties to be Common Properties.

Section 5. WITHDRAWAL. Anything herein to the contrary notwithstanding, Declarant reserves the absolute right at any time to withdraw portions of the Properties from the provisions of this Declaration by recording an appropriate Supplemental Declaration in the Palm Beach County, Florida, Public Records, provided that, to be effective, any such Supplemental Declaration must be executed by the Developer, the Owner of each Dwelling Unit located on the property sought to be withdrawn (if any), and each holder of an Institutional Mortgage on a Dwelling Unit located on the property sought to be withdrawn (if any). The execution of a joinder in or consent to any such Supplemental Declaration by unit owners, (except as prescribed by the preceding sentence), or by lienors or the Association, shall not be necessary for such Supplemental Declaration to be effective, and the joinder in or consent to this Initial Declaration by any such parties shall constitute full acknowledgment and approval of the foregoing. Nothing contained in this Section shall be construed to require the joinder by or entitle a right to consent by Owners of Lots upon the portion of the Properties which is not withdrawn by such Supplemental Declaration. Declarant's reservation of the right to withdraw pursuant to this Section shall be subject to the following limitation, to-wit: in no event shall any such withdrawal of portions of the Properties be effective to diminish the scope of the Properties declared as such hereunder if, within twenty-one (21) days of delivery of written notice of the proposed action of withdrawal together with a copy of the Proposed supplemental declaration withdrawing such lands have been delivered to the office of the County Attorney for Palm Beach County, Florida, said office shall notify the Declarant in writing of its objection to the proposed withdrawal on the ground that such withdrawal shall violate the ordinances of Palm Beach County, Florida. The failure of the office of the County Attorney to act within said twenty-one (21) days shall be deemed to constitute notification of its objection to the proposed withdrawal.

ARTICLE IV.

IDENTIFICATION, ADDITION AND WITHDRAWAL OF LOTS, VILLAS AND TOWNHOMES

Section 1. IDENTIFICATION SCHEME. The Lots legally described in Exhibit "C" hereto and graphically depicted on Exhibit "D" hereto are each uniquely designated in those Exhibits by a single, identifying Lot number, and any Supplemental Declaration adding or withdrawing property as Lots shall contain a legal description and graphic depiction extending this scheme of identification to the added Lots. For purposes of any

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conveyance or mortgage of a Lot, the Lot may be described by reference to the designation given it in this Declaration and any such description shall be deemed to encompass any Townhome or Villa Dwelling Unit located on the Lot unless the description expressly provides otherwise. By way of example (though not of limitation), the following shall be deemed to be a sufficient legal description of a Lot (together with Villa or Townhome located thereon, as the case may be) designated on Exhibits "C" and "D" as Lot "___":

Lot ___ according to the Plan thereof, as annexed to the Declaration of Covenants and Restrictions for The Village at Boca Rio, recorded in Official Records Book ___, Page ___, of the Public Records of Palm Beach County, Florida;

and, if a Lot was submitted to the Declaration by a First Supplemental Declaration of Covenants and Restrictions for The Village at Boca Rio Complex which designated the Lot as "Lot ___", the legal description of the Lot (together with Villa or Townhome located thereon, as the case may be) would be sufficient if it were in the following form:

Lot ___ according to the Plan thereof annexed to the First Supplemental Declaration of Covenants and Restrictions for The Village at Boca Rio, recorded in Official Records Book ___, Page ___, of the Public Records of Palm Beach County, Florida.

The foregoing shall not, however, be construed to prohibit the conveyance of a Lot by reference to any metes and bounds legal description for the same or by reference to any Lot designations described in a recorded Plat for all or portions of The Village at Boca Rio Complex and, in the event of a conflict between the legal description for a specifically numbered Lot as set forth in Exhibit "C" hereto and that set forth in the deed conveying such Lot, the latter such legal description shall govern and control. In the event of any such conflict, Declarant may (but need not) record a Supplemental Declaration correcting the legal description set forth in Exhibit "C" hereto which, to be effective, need only be executed by Declarant.

Section 2. ADDITIONS. The Declarant may from time to time, by recording appropriate Supplemental Declarations in the Public Records of Palm Beach County, Florida, add portions of The Village at Boca Rio Complex (including the improvements on those portions) to the Lots submitted to the Initial Declaration. To be effective, any such Supplemental Declaration must be executed by both the Declarant and the record fee owner or owners, if any, of the property which the Supplemental Declaration purports to add as Lots. The execution of a joinder in or consent to any such Supplemental Declaration by Owners, mortgagees, lienors or the Association shall not be necessary for such Supplemental Declaration to be effective, and the joinder in or consent to this Initial Declaration by any such parties shall constitute full acknowledgment and approval of the foregoing. Any such Supplemental

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Declaration may submit the properties added as Lots by it to such additions to and modifications of the covenants and restrictions contained in the Initial Declaration as may be necessary or convenient, in the Declarant's judgment, to reflect and adapt to any changed circumstances or any difference in the character of the added Lots. Nothing contained in this Section shall be construed to require the joinder by or entitle a right to consent by Owners of Lots upon the Properties to any such Supplemental Declaration.

Section 3. DISCLAIMER OF IMPLICATION. Only the real property described in Exhibit "C" hereto is submitted and declared as Lots by the Initial Declaration. Unless and until a Supplemental Declaration is recorded in the fashion required by this Initial Declaration with respect to it, no portion of the remainder of The Village at Boca Rio Complex shall be in any way be deemed to constitute Lots or be affected by the covenants and restrictions expressly binding the Lots as provided by the terms of this Declaration. Every such portion of the remainder of The Village at Boca Rio Complex may be freely sold, conveyed or otherwise disposed of by their owner or owners free and clear of any of the covenants and restrictions and other terms of this Declaration relating solely to the Lots, but subject however, to the terms and provisions expressly binding upon The Village at Boca Rio Complex in its entirety.

Section 4. ABSENCE OF OBLIGATION. Nothing in this Declaration shall be construed to require the Declarant to add properties to the Lots created by the Initial Declaration.

Section 5. WITHDRAWAL. Anything herein to the contrary notwithstanding, the Declarant reserves the absolute right at any time to withdraw one or more Lots from the provisions of this Declaration by recording an appropriate Supplemental Declaration in the Palm Beach County, Florida, Public Records, provided that, to be effective, any such Supplemental Declaration must be executed by the Declarant, the Owner of the Lot sought to be withdrawn, and the holder of any Institutional Mortgage on the Lot sought to be withdrawn. Nothing contained in this Section shall be construed to require the joinder by or entitle a right to consent by any mortgagees or by Owners of Lots upon the portion of the Properties which is not withdrawn by such Supplemental Declaration. Notwithstanding the Declarant's reservation of right to withdraw one or more Lots from the provisions of this Declaration, such reservation of rights shall be subject to the foregoing limitation, to-wit: in no event shall any such withdrawal of a Lot be effective to diminish the scope of the property declared as Lots hereunder if, within twenty-one (21) days after written notice of the proposed action together with a copy of the proposed form of Supplemental Declaration withdrawing such Lots has been delivered to the office of the County Attorney for Palm Beach County, Florida, said office shall have notified the Declarant in writing that such withdrawal of such Lots shall be contrary to the ordinances of Palm Beach County, Florida. The failure of the office of the County Attorney to act within said twenty-one (21) days shall be deemed to constitute notification of its objection to the proposed withdrawal.

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ARTICLE V.
OWNER'S PROPERTY RIGHTS

Section 1. OWNER'S EASEMENTS OF ENJOYMENT. Every Owner shall have a non-exclusive, common right and easement of ingress and egress over, enjoyment in, and use of Common Properties, which right and easement shall be appurtenant to and shall pass with title to his Townhome or Villa Dwelling Unit, as the case may be, subject to the following conditions and limitations:

(a) The right of the Association to reasonably limit the number and nature of guests and invitees of Owners or of an Owner's lessees using the Common Properties.

(b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Properties including, but not limited to, the right and obligation of the Association to enforce all parking restrictions within the Common Properties.

(c) The right of the Association to establish uniform rules and regulations pertaining to the portions of each Lot visible from any portion of the Common Properties for the purposes of enhancing the aesthetic uniformity of the Properties including, but not limited to, prohibitions against the planting of trees, flowers, hedges and other plants or against the temporary or permanent placement of personalty including swings, hammocks, toys or other recreational devices.

(d) The right of the Association to charge uniform and reasonable admission and other fees for the use of Improvements in the nature of recreation facilities, or portions thereof, constructed upon the Common Properties.

(e) The right of the Association in accordance with its Articles, By-Laws and this Declaration, with the vote or written assent of two-thirds (2/3) of each class of Members, to borrow money for the purpose of improving the Common Properties and facilities, and, in aid thereof, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of such mortgagee shall be subordinated to the use rights of the Owners.

(f) The right of the Association to suspend the voting rights and right to use the Common Properties (except means of ingress and egress) by an Owner for any period during which any assessment against his Dwelling Unit remains unpaid and delinquent; and for a period not to exceed thirty (30) days for any single infraction of the published Rules and Regulations of the Association, provided that any suspension of such voting rights or right to use the Common Properties shall be made only by the Board of Directors of the Association, after notice and an opportunity for a hearing.

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(g) The right of the Association to dedicate, release, alienate or transfer all or any part of the Common Properties to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication, release, alienation or transfer shall be effective, unless Members entitled to cast two-thirds (2/3) of the voting power of the Class A Members, and the Class B Members if any, agree to such dedication, release, alienation or transfer.

(h) The right of the Declarant and Declarant's Permittees to the non-exclusive use of the Common Properties and the facilities thereof, without charge, for sales, display, access, ingress, egress, construction and exhibit purposes.

(i) The right of the Association (by action of the Board) to reconstruct, replace or refinish any Improvement or portion thereof upon the Common Properties, in accordance with the original design, finish or standard of construction of such Improvement, or of the general Improvements within the Common Properties, as the case may be.

(j) The right of the Association to replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the Common Properties.

(k) The easements provided elsewhere in this Article and in Article XVIII hereof.

Section 2. DELEGATION OF USE. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Properties and facilities to the members of his Family, or to the tenants who reside in his Dwelling Unit, subject to all rules and regulations presently in effect and any which may become effective in the future, and further subject to reasonable regulation by the Board.

Section 3. PARKING. All parking areas for the use of the Unit Owners are located on the Common Properties. The Declarant shall have the right at any time and from time to time to grant to specific Dwelling Units the exclusive right to use one or more of such parking spaces. Any such grant to a Dwelling Unit shall be made by the Declarant by a written assignment (which shall not be recorded) granting to the Unit's Owner the exclusive right to use (and not title to) such space(s) as an appurtenance to the Unit and not separately alienable therefrom. Such exclusive right to use shall pass with title to such Unit whether or not specifically assigned. Temporary guest or recreational parking shall be permitted only within spaces and areas clearly designated for this purpose, if any. The Declarant may also, in the Initial Declaration and in Supplemental Declarations, grant to specific groups of Dwelling Units the right (subject to more specific Unit by Unit assignments to Dwelling Units within the group) to use one or more parking areas to the exclusion of other groups of units. Subject to the foregoing, the Association, through its officers, committees and agents, shall be entitled to establish regulations concerning parking on any portion of the Common Properties and may make provision for the involuntary removal of any

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vehicle violating them. The Association may suspend the Owner's right to use his parking space during any period his Assessments are delinquent. Notwithstanding the foregoing, the Association shall in no way interfere with the parking requirements of Declarant or Declarant's Permittees with respect to unassigned parking spaces.

Section 4. EASEMENTS FOR PEDESTRIAN AND VEHICULAR TRAFFIC. In addition to the general easements for use of the Common Properties reserved herein, there shall be, and Declarant hereby reserves, grants and covenants for itself and all future Owners, their guests and invitees, and Institutional Mortgagees of the Properties or The Village at Boca Rio Complex (or portions thereof), the Association, and for record interest titleholders of all or any portion of The Village at Boca Rio Complex regardless of whether or not such interests are upon lands declared as the Properties (the "Beneficiaries") that all such Beneficiaries shall have a non-exclusive easement for vehicular and pedestrian ingress and egress over all streets and road depicted upon the plat for The Village at Boca Rio or otherwise paved and intended for the purpose of providing access about, and ingress and egress through the Complex to adjacent public roadways.

Section 5. EASEMENTS FOR PUBLIC SERVICE USE. In addition to the foregoing easements over the Properties and The Village at Boca Rio Complex, there shall be, and Declarant hereby reserves and covenants for itself, all future Owners, and all other Beneficiaries, easements for cable TV, municipal and private utility companies, and other governmental public services, including, but not limited to, the right of the police, fire, health, sanitation and other public service personnel to enter upon (with or without vehicles or animals) any part of the Common Properties or The Village at Boca Rio Complex for the purpose of carrying out their duties and the right of all utility companies to install, maintain, replace or supplement their equipment and facilities.

Section 6. ACCESS EASEMENT. Declarant hereby reserves perpetual non-exclusive easements of ingress and egress over and across any and all streets (as well as alcoves, cul-de-sacs and other private, paved areas abutting or serving the same) and any private driveways within or upon The Village at Boca Rio Complex and all other portions of The Village at Boca Rio Complex which are necessary or convenient for enabling Declarant to carry on the work referred to in Article XVII, Section 13 hereof, which easements shall be for the use of Declarant, Declarant's Permittees, Declarant's successors and assigns, Owners, and the respective lessees, employees, agents, invitees and licensees of Declarant and Owners.

Section 7. WAIVER OF USE. No Owner other than Declarant may exempt himself from personal liability for Assessments duly levied by the Association. No Owner may release the Dwelling Unit owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Properties and the facilities thereon or by abandonment of his Dwelling Unit.

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Section 8. TITLE TO THE COMMON PROPERTIES.

(a) Mortgaging of Common Properties. Subject to paragraph (b) of this Section, the Declarant may mortgage any part or all of the Common Properties (as well as portions of The Village at Boca Rio Complex other than Lots) to finance construction and development expenses provided that the Mortgagee recognizes the rights of Owners under this Declaration and neither the Association nor any Owner is personally liable for paying the mortgage. In such event, Owners of Lots upon the Properties shall not be required to join in to or be entitled to consent to such mortgage.

(b) Transfer of Title to Common Properties. When title to all Lots (together with Dwelling Units thereon) located upon the Properties (as defined in the Initial Declaration) have been conveyed to non-Declarant purchasers, or on December 31, 1987, whichever occurs first, or sooner at the Declarant's option, the Declarant shall convey to the Association, by quit claim deed or deeds, the fee simple title to the Common Properties (as defined in the Initial Declaration) free and clear of any liens but subject to:

- (1) any real estate taxes and assessments for the year in which the Common Properties are transferred;
- (2) any covenants, conditions, restrictions, reservations, limitations and easements then of record; and
- (3) any zoning ordinances then applicable.

The Association shall accept this conveyance of the Common Properties and shall pay all costs of such conveyance including documentary stamp and other taxes of conveyance, recording charges, title insurance expense, and attorneys fees. The Association shall thereafter hold title to them for the benefit of those persons entitled to use them under the provisions of this Declaration. The conveyance shall not impair in any way the Declarant's rights and easements set forth elsewhere in this Declaration, including, without limiting the generality of the foregoing, Section 13 of Article XIII and Section 4 of Article XVIII. The Declarant may convey the Common Properties all at once or separately at different times provided only that the deadlines set forth above are adhered to. Any properties declared to be added as Common Properties by any Supplemental Declaration shall be conveyed to the Association upon the later of the conveyance of all Dwelling Units then contemplated to be constructed thereon or four (4) years from the date of recording such Supplemental Declaration, provided, however, that Declarant's rights pursuant to Articles II, III, and IV shall be paramount to the foregoing.

ARTICLE VI.

MEMBERSHIP IN ASSOCIATION

Section 1. MEMBERSHIP. Every Owner of a Lot and the Declarant shall be a Member of the Association. Memberships in the Association

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shall not be assignable, except to the successor-in-interest of the Owner, and every membership of an Owner in the Association shall be appurtenant to and may not be separated from the fee ownership of his Lot. Ownership of such Lot shall be the sole qualification for membership of an Owner in the Association.

ARTICLE VII.
VOTING RIGHTS

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

Class A: Class A Members shall originally be all Owners with the exception of Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot which is subject to assessment, as further provided in this Declaration. Declarant shall become a Class A Member with regard to Lots owned by Declarant upon termination of Declarant's Class B Membership as provided below.

Class B: The Class B Member shall be the Declarant. The Class B Member shall be entitled to one (1) vote plus two (2) votes for each vote which the Class A Members as a whole are entitled to cast from time to time (by way of example, if, at a given point in time, there were fifty (50) Class A Members, the Class B Member would be entitled to 101 votes); provided that the Class B Membership shall cease and be converted to Class A Membership upon the first to occur of any of the following: (a) the arrival of December 31, 1989; (b) at least two hundred twenty-four (224) Dwelling Units upon lands declared as the Properties have been closed upon and conveyed to purchasers thereof; or (c) thirty (30) days after Declarant elects to terminate the Class B Membership; whereupon, the Class A Members shall assume control of the Association and elect the Board.

Section 2. VOTE DISTRIBUTION. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. 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. Fractional votes shall not be allowed, and the vote for each Lot shall be exercised, if at all, as a unit. Where no voting Co-Owner is designated, or if such designation has been revoked, the vote for such Lot shall be exercised as the majority of the Co-Owners of the Lot mutually agree. Unless the Board receives a written objection from a Co-Owner, it shall be presumed that the appropriate voting Co-Owner is acting with the consent of his or her Co-Owners. No vote shall be cast for any Lot where the majority of the Co-Owners cannot agree to said vote or other action.

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The non-voting Co-Owner or Co-Owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly-owned Lot and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, and/or in the By-Laws of the Association, shall be binding on all Co-Owners, their successors and assigns. If a Lot is owned by a corporation, the person entitled to cast the vote for the Lot shall be designated by a certificate signed by the president or vice president and attested by the secretary or assistant secretary of the corporation and filed with the secretary of the Association.

ARTICLE VIII.

DUTIES AND POWERS OF ASSOCIATION

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

(a) Maintain, repair and otherwise manage the Common Properties and all facilities, improvements and landscaping thereon in accordance with the provisions of this Declaration;

(b) Maintain all private streets, driveways and sidewalks within or upon the Common Properties, including cleaning and periodic resurfacing;

(c) Obtain, for the benefit of the Common Properties, all commonly metered water, sanitary sewage and electric services, and may provide for all refuse collection and cable or master television service (if any) as necessary;

(d) Grant easements, rights-of-way or strips of land, where necessary, for utilities, sewer facilities, cable TV and other services over the Common Properties to serve the Common Properties and other portions of the Properties;

(e) Maintain such policy or policies of liability, fire and casualty insurance with respect to the Common Properties and personal property, if any, located thereon or used in connection therewith and owned by the Association or the Declarant as provided herein for furthering the purposes of and protecting the interests of the Association and Members and as directed by this Declaration and the By-Laws and/or Articles of the Association;

(f) Employ staff or contract with a Management Company (which may be an affiliate of Declarant) to perform all or any part of the duties and responsibilities of the Association, and to delegate its powers to committees, officers and employees;

(g) Install and maintain such security devices, detectors and communication facilities, and employ or contract for employment of security services, guards and watchmen for the Common Properties as the Board deems necessary or appropriate;

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(h) Promulgate, amend and alter rules and regulations governing the use of the Common Properties;

(i) Seek (as a matter of right, but not as a duty) the vacation of publicly dedicated streets upon or serving the Properties;

(j) Maintain in good condition any water courses and the Lake (or portion thereof) upon the Properties; and

(k) Take such other action which the Board shall deem advisable with respect to the Properties as may be permitted hereunder or under the law.

ARTICLE IX.

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 and located upon lands now or hereafter added as the Properties, hereby covenants, and each Owner of any Lot upon the Properties 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, is deemed to covenant and agree to pay to the Association (a) Common Assessments for Common Expenses, (b) Capital Improvement Assessments, (c) Special Assessments, and (d) Reconstruction 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 he, she, or it 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 Townhome or Villa located thereon (and any other improvements thereon) 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 Property against which the Assessment is made or on which the Assessment constitutes or gives rise to a lien and, except as otherwise provided therein, 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 monies collected in one or more accounts as it shall elect. Maintenance funds collected by Common Assessments shall include monies for either a Common Properties Reserve Fund for the replacement, repair, painting, resurfacing and other maintenance of the Common Properties' 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.

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Section 2. PURPOSE OF COMMON ASSESSMENTS. The Assessments imposed by this Article shall be used for the Association's operation and administration and fulfillment of its duties hereunder. Such duties shall include the promotion of the common health, safety, benefit, recreation, welfare and aesthetics of the Owners and the Improvements and maintenance of the Common Properties 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 and to reimburse Declarant for start-up expenses advanced by the Declarant. However, disbursements from the Common Properties Reserve Fund or other reserve funds shall be made by the Board of Directors only for the specific purposes specified in this Article IX except as noted above. Disbursements of funds other than funds held for Common Properties reserves shall be made by the Board of Directors for such purposes as are necessary for the discharge of its responsibilities herein for the common benefit of all of the Owners.

Section 3. DAMAGE TO COMMON PROPERTIES BY OWNERS. The foregoing maintenance, repairs or replacements within the Common Properties 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 together with all Improvements thereon (unless proceeds of insurance are collected with respect thereto).

Section 4. CAPITAL IMPROVEMENT AND RECONSTRUCTION ASSESSMENTS. In addition to the Common Assessments authorized above, the Board of Directors of the Association may levy, in any assessment year, a Capital Improvement Assessment or Reconstruction Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement or other such addition upon the Common Properties, including fixtures and personal property related thereto; provided that any such Reconstruction Assessment in excess of Twenty Five Thousand (\$25,000.00) Dollars, or Capital Improvement Assessment in excess of Seven Thousand Five Hundred (\$7,500.00) Dollars, shall require the vote or written assent of a majority of the Members who are subject to such Assessments. No action authorized in this Section shall be taken without the prior written consent of Declarant as long as Declarant owns any portion of The Village at Boca Rio Complex.

Section 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. If the required quorum is not present, such meeting may be rescheduled subject to the same notice requirement. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

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Section 6. DATE OF COMMENCEMENT OF UNIT OWNERS' OBLIGATION FOR COMMON ASSESSMENTS. Every Owner other than the Declarant shall be required to pay Assessments under this Article with respect to his Lot upon acquiring title thereto. The Declarant, however, shall not be required to elect either to pay any Assessment or, alternatively, to elect to pay other sums due (in accordance with its rights under Section 11 of this Article) on any Lot owned by it unless and until the appropriate governmental authority has issued a temporary or final certificate of occupancy (or its equivalent) authorizing occupancy of the Villa or Townhome upon that Lot.

Section 7. SETTING OF COMMON ASSESSMENTS: DUE DATE. The Board of Directors shall fix the amount of the annual Common Assessment to be levied against each Owner subject to assessment at least thirty (30) days in advance of the period covered by the assessment. The Board of Directors shall have the right to increase or decrease the amount of such annual Common Assessment at any time during such period if it, in the exercise of its judgment, deems such increase or decrease to be necessary or appropriate. In such event, written notice of any change in the amount of the annual Common Assessment shall be sent to every Owner at least thirty (30) days prior to the effective date of such change. At least thirty (30) days before the beginning of each fiscal year, the Board of Directors shall prepare and distribute to the Members of the Association a written, itemized estimated operating budget of the expenses to be incurred by the Association during such year in performing its functions under this Declaration. The Assessments shall be based upon an estimated budget that includes reasonable reserves for deferred maintenance of Improvements the Association 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 periodic Assessments be payable either quarterly or monthly. The Board of Directors shall cause to be prepared an annual balance sheet and operating statement for each fiscal year, 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 Dwelling Unit have been paid.

Section 8. EXEMPT PROPERTY. Common Expenses shall be assessed only against Dwelling Units which are subject to assessment under the provisions hereof, and all other portions of The Village at Boca Rio Complex shall be exempt therefrom.

Section 9. SPECIAL ASSESSMENTS. Special (i.e. non-periodic) assessments may at any time be levied by the Board upon all Owners subject to periodic assessments to make up actual deficits or anticipated deficits in operating and maintenance accounts resulting from inadequate

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periodic 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.

Section 10. SHARE OF ASSESSMENTS. The periodic Common Assessments provided for hereinabove and the special assessments provided for in Section 9 of this Article that are to be levied on all Owners shall be computed and levied upon the Lots subject to assessment based upon the Percentage Share of Assessments. The Percentage Share of Assessments attributable to each Lot as more particularly described in Exhibit "I" hereto have been arbitrarily established by approximating the result obtained by dividing the approximate usable square footage of the Dwelling Unit upon each particular Lot and dividing the same by the approximate total usable square footage of all Dwelling Units upon all Lots upon the Properties. In the event that Declarant shall exercise its rights to add additional (or withdraw) Lots by Supplemental Declaration, any such Supplemental Declaration shall certify the number of Lots declared upon the Properties and set forth the then applicable Percentage Share of Assessments in accordance with the method of computation established in this Section. The Percentage Share of Assessments upon Inclusion of Additional Phases set forth as Exhibit "J" hereto shall constitute applicable percentages in the event that number of Lots upon the Properties as defined by Supplemental Declaration is equal to the number of Lots disclosed upon said Exhibit "J". In the event the Percentage Share of Assessments attached to a Supplemental Declaration shall vary from the disclosure in Exhibit "J" hereto, the disclosure in such Supplemental Declaration shall govern and control.

Section 11. DECLARANT EXEMPTION. Anything to the contrary herein notwithstanding, the Declarant shall not be liable for any Assessments as long as the Declarant pays all deficits in operation of the Association above the assessments collectible from other Owners. In calculating such deficit, only actual current expenses (other than capital expenses and reserves) shall be computed. The Declarant may at any time and from time to time be relieved of all obligations to fund deficits by electing, for any assessment period or periods, to pay assessments imposed on Lots for which it is the Owner pursuant to the formula set forth above in Section 10 of this Article (except that, in any case, no assessments need be paid by the Declarant for any Lot it owns until a certificate of occupancy is issued therefor).

Section 12. ASSOCIATION'S REMEDIES FOR NON-PAYMENT.

(a) Penalties for Delinquency. Any assessment that is unpaid for more than ten (10) days after the date it is due shall bear interest at the highest rate permitted by law from the date it is due until the date it is paid.

(b) Enforcement of Lien. The Association may bring an action in its name to foreclose any lien on a Lot upon which a Townhouse or Villa is located in the manner in which mortgages of real property are foreclosed in Florida and may also bring an action to recover a money

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judgment for unpaid periodic or special assessments with interest thereon (plus the costs and expenses mentioned in Section 12(c) of this Article) without waiving any claim of lien, provided that in either case the Association must give the delinquent Owner at least thirty (30) days' written notice of its intentions and, in the case of a foreclosure, must file a claim of lien in the Public Records of Palm Beach County, Florida. Upon the timely curing of any default (including the payment of 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 recorded upon payment to the Association of a fee to be determined by the Association but not to exceed Fifty Dollars (\$50.00).

(c) Attorneys' Fees and Other Costs of Enforcement. Reasonable attorneys' fees incurred by the Association or its agent incident to the collection of an unpaid periodic or special assessment or the enforcement of any lien provided for by Section 1 of this Article (including attorneys' fees in connection with any review of a judicial or administrative proceeding by 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.

(d) Status of Transferees. No person or entity that acquired title to a Lot or Townhome or Villa as a result of a foreclosure of an Institutional Mortgage or any bona fide first mortgage of record or that accepts a deed to a Lot in lieu of foreclosing an Institutional Mortgage or record shall be liable for the share of periodic or special assessments pertaining to that Lot or Townhome or Villa or 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 periodic or special 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 periodic or special assessments from all the Owners, including the new Owner of the Lot in question. Except as expressly provided hereinabove, every grantee in a voluntary conveyance of a Lot or Townhome or Villa shall be jointly and severally liable for all unpaid periodic or special assessments against the grantor for his share of the Assessments up to the time of the conveyance. Anything contained herein to the contrary notwithstanding, each and every Owner, including purchasers at a judicial sale, shall be liable for all periodic or Special Assessments coming due while he is the Owner of a Lot or Townhome or Villa regardless of how his title was acquired.

(e) Cumulative Remedies. The remedies provided in this Section 12 shall be cumulative and not mutually exclusive.

Section 13. ASSOCIATION'S CERTIFICATE. Each Owner of an assessable Lot and every holder of a mortgage thereon shall have the right to require from the Association a certificate showing the amount of

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unpaid periodic or special assessments against the Owner with respect to his Lot upon payment to the Association of a reasonable fee not exceeding Ten Dollars (\$10.00). Any person other than the Owner of the Lot in question who relies upon such a certificate shall be protected thereby.

Section 14. SUBORDINATION. The lien on each Lot provided for in this Article shall be subordinate to the lien of any first or second 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.

ARTICLE X.
ARCHITECTURAL CONTROL

Section 1. MEMBERS OF COMMITTEE. The Architectural 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 Lots and Dwelling Units planned for construction upon the portions of The Village at Boca Rio Complex declared as the Properties have been conveyed, or at such earlier time as the Declarant may, at its sole option, elect. Thereafter, each new member of the Committee shall be appointed by the Board of Directors 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, other than those designated by the Declarant, may be removed at any time without cause. The Board of Directors shall have the right to appoint and remove all members of the Committee other than those designated by Declarant.

Section 2. REVIEW OF PROPOSED CONSTRUCTION. Subject to Section 8 of this Article, no building, fence, gutters or rainspout, antenna, wall, aerial, micro-wave dish, external enclosure, patio fencing, covers or other Improvement (including landscaping) shall be commenced, painted, erected, installed, planted or maintained on the Properties, nor shall any canopy or shutters be attached to or placed upon outside walls or roofs of any Dwelling Unit or Building by any Owner other than Declarant until and unless 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 Architectural Committee. The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of The Village at Boca Rio Complex as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures and is otherwise desirable. The Committee may also issue such rules or guidelines setting forth procedures for the submissions of plans and specifications submitted for its review as it deems proper, including, without limitation, the submission of floor plans, site plans, drainage

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plans, elevation drawings and description or samples of exterior materials and colors. If the proposed construction alterations or additions are to a portion of the Improvements which the Association is obligated to maintain, said approval may also be subject to approval by the Board of the Association. The Committee may condition its approval of proposals and plans and specifications in such manner as it deems appropriate and may require the submission of additional information prior to approving or disapproving such request. Until receipt by the Committee of any required plans and specifications, or other additional information requested by it, 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 rejected within such thirty (30) day period, such plans shall be deemed approved. Notwithstanding any provision in this Article X to the contrary, the approval of the Architectural Committee shall not be required for any additions, changes or alterations to Townhome or Villa Dwelling Units that are contained within such structures if such additions, changes or alterations are not visible from outside such Dwelling Units. All changes and alterations shall be subject, independently, to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees. No construction, reconstruction, addition, alteration or change by Declarant shall require the prior approval or any certificate of consent of the Committee.

Section 3. MEETINGS 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.

Section 4. NO WAIVER OF FUTURE APPROVALS. The approval of the Committee to 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 matter whatsoever subsequently or additionally submitted for approval or consent.

Section 5. COMPENSATION OF MEMBERS. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

Section 6. INSPECTION OF WORK. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon the completion of any work for which approved plans are required under this Article X, the submitting party shall give written notice of completion to the Committee.

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(b) Within sixty (60) days thereafter, the Committee or its duly authorized representative may inspect such Improvement. If the Committee finds that such work was not done in substantial compliance with the approved plans it shall notify the submitting party in writing of such non-compliance within such 60-day period, specifying the particulars of non-compliance, and shall require the submitting party to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification, the submitting party shall have failed to remedy such non-compliance, the Committee shall notify the Board of the Association in writing of such failure. Upon Notice and Hearing, the Board shall determine whether there is a non-compliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If non-compliance exists, the submitting party shall remedy or remove the same within a period of not more than forty-five (45) days from the date of announcement of the Board ruling. If the submitting party does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying improvement or remedy the non-compliance, and the submitting party shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the submitting party to the Association, the Board shall levy a Special Assessment against such submitting party for reimbursement.

(d) If for any reason the Committee fails to notify the submitting party of any non-compliance within sixty (60) days after receipt of said written notice of completion from the submitting party the Improvement and/or alteration shall be deemed to be in accordance with said approved plans.

Section 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 or to any Owner or any other person or entity for any loss, damage 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 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 consideration, and the overall benefit or detriment which would result to the immediate vicinity and to the community then planned to be created upon The Village at Boca Rio Complex. 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.

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Section 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 may require. Such variance must be evidenced in writing and 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 operate to waive any of the terms and provisions of this Declaration or of any Supplemental Declarations for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting his use of the premises, including, but not limited to, zoning ordinances and Lot set-back lines or requirements imposed by any governmental or municipal authority.

ARTICLE XI.

MAINTENANCE REPAIR OBLIGATIONS

Section 1. BY THE ASSOCIATION.

(a) Maintenance of Townhome and Villa Dwelling Units. With respect to Improvements upon the Properties, the Association shall be responsible for painting, repairing and replacing, as and when it deems same reasonably necessary, of the exterior building surfaces of each Villa and Townhome, the roof of each Villa and Townhome, those portions of any parapet partially surrounding a patio or terrace appurtenant to a Villa or Townhome which are visible from outside the Lot on which the Villa or Townhome is situated, fencing originally installed by Declarant, the gutters and downspouts of each Villa or Townhome (but not the doors, windows and the gutters and downspouts of each Villa or Townhome (but not the doors, windows and screens of any Villa or Townhome), and the grounds and landscaping upon the portions of each Lot which are visible from the Common Properties, provided that the painting, repair or replacement (as the case may be) is not necessitated by fire or other casualty or by the negligence or misconduct of the Villa's or Townhome's Owners, tenants, guests, or invitees. The Board may delegate the responsibility of ordering and/or performing the work required by this Section to a management company.

(b) Trash Collection. If reasonably feasible, the Association shall arrange and contract for the collection of trash from the Villas and Townhomes.

(c) Common Properties. The Association shall maintain, or provide for the maintenance of, all of the Common Properties and all Improvements thereon, including all recreational facilities, commonly metered utilities, the interior and exterior of all recreation buildings,

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and any and all utility facilities and buildings on the Common Properties. In addition, the Association shall provide all necessary landscaping and gardening to properly maintain and periodically replace when necessary the trees, plants, grass and other vegetation which are on the Common Properties. The Association shall further maintain, reconstruct, replace and refinish any paved surface on the Common Properties. All of the foregoing obligations of the Association shall be discharged when and in such manner as the Board of Directors of the Association shall determine in its judgment to be appropriate.

Section 2. BY THE OWNERS.

(a) Maintenance of Villa and Townhome. With respect to Improvements upon the Properties, each Owner shall be responsible for keeping the interior and exterior of his Villa and/or Townhome in a clean safe and orderly condition and in good repair to the extent the Association is not responsible for doing so under Section 1 of this Article. Each Owner shall be responsible for the maintenance, replacement or repair of all doors, windows, screens and other portions of his Townhome and/or Villa not maintained by the Association in accordance with Section 1 of this Article. Such responsibilities shall also include the maintenance, repair or replacement of all appliances, including the air conditioning and heating unit (and all components thereof) servicing such Townhome and/or Villa.

(b) Repair and Reconstruction After Casualty. If a Villa and/or Townhome is damaged by fire or other casualty, its Owner shall promptly restore it to at least as good a condition as it was in before the casualty occurred. Any such work shall be in accordance with the Villa's and/or Townhome's original plans and specifications unless otherwise authorized by the Board and shall be otherwise subject in all respects to the provisions of Article V hereof entitled "Architectural Control".

(c) Insurance. Each Owner shall keep his Villa and/or Townhome insured in an amount not less than its full insurable value against loss or damage by fire, other hazards covered by standard extended coverage endorsements, and whatever other risks are customarily covered with respect to dwellings similar to his Villa and/or Townhome in construction, location and use (such as flooding, vandalism and malicious mischief). Evidence of such coverage shall be furnished to the Association promptly upon the Board's request.

(d) Failure to Perform. If an Owner fails to comply with the foregoing provisions of this Section 2, the Association may proceed in court to enjoin compliance with them. In addition, if the failure relates to the Owner's insurance obligations, the Association shall be entitled (though not obligated) to obtain the required coverage itself and to levy on the offending Owner a special assessment equal to the cost of the premiums and, if it relates to his maintenance or restoration obligations, shall be entitled (though not obligated) to restore the

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neglected Villa and/or Townhome to the condition required by this Section and to levy on the offending Owner a special assessment equal to the cost of the work that was the Owner's responsibility.

Section 3. DAMAGE TO BUILDINGS.

(a) Exterior Appearance and Design. Any building containing Dwelling Units and which has suffered damage may apply through the Owners thereof 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 specifications, 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.

(b) Time Limitation. 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 his or its reasonable control.

(c) Declarant's Exemption. The Developer shall be exempt from the provisions of paragraphs (a) and (b) of this Section 3.

ARTICLE XII.
PARTY WALLS

Section 1. GENERAL. Each wall built as part of the original construction of the various Villas and/or Townhomes and placed on the dividing line between Lots on which they are situated shall constitute a party wall, and each Owner of one of the Lots shall own that portion of the wall which stands on his own Lot together with a cross-easement of support in the other portion. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to all such party walls.

Section 2. EASEMENTS. Easements are reserved in favor of all Lots sharing a party wall for overhangs or other encroachments resulting from original construction or from restoration that conforms substantially to the original construction.

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Section 3. SHARING OF REPAIR AND MAINTENANCE. The costs of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall.

Section 4. DESTRUCTION BY FIRE OR OTHER CASUALTY. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, but not greater dimension of that party wall, or of any extension or restoration thereof, shall be placed upon the Lot of the other Owner who is not extending, constructing or restoring it than that existing prior to the fire or other casualty, unless the written consent of the latter is first obtained. No part of any addition to the dimensions of that party wall (or of any extension thereof already built) that may be made by either one of the Owners who have used it (or by those claiming under them respectively) shall be placed upon the Lot of the other Owner, unless the written consent of the latter is first obtained. If the other Owner thereafter makes use of the wall, he shall contribute to the cost of restoration thereof in proportion to his use, without prejudice, however, to the right of any such Owner to call for a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omissions.

Section 5. WEATHER-PROOFING. Notwithstanding any other provision of this Article XII, any Owner who by his negligent or willful act causes a part of the party wall not previously exposed to the elements to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 6. RIGHT TO CONTRIBUTION RUNS WITH LAND. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owners' successors in title to his Lot. Upon conveyance or other transfer of title, the liability of the prior Owner shall cease.

Section 7. ARBITRATION. In the event of any dispute arising concerning a party wall or under the provisions of this Article generally, each party shall choose one arbiter, those arbiters shall choose one additional arbiter, and the decision of a majority of the three arbiters thus chosen shall be conclusively determinative of the question involved. If a panel cannot be designated in this way, the matter shall be arbitrated pursuant to the rules of the American Arbitration Association (or its successors in function) then obtaining. Any decision made pursuant to this Section 7 shall be conclusive and may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code.

ARTICLE XIII.
USE RESTRICTIONS

All of the Properties shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant in Section 14 hereof.

Section 1. NUISANCES. No noxious or offensive activity shall be carried on about the Properties or in or about any Buildings or other Improvements, Dwelling Units, Lots or on the Common Properties, or on any portion of The Village at Boca Rio Complex, nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any Owner. No use or practice shall be allowed in or around the Villas and/or Townhomes which is a source of annoyance to Owners or occupants of Villas and/or Townhomes or which interferes with the peaceful possession or proper use of the Villas and/or Townhomes or the surrounding Common Areas. No loud noises or noxious odors shall be permitted in any buildings or other Improvements, Dwelling Units, Lots, or on the Common Properties, and the Board of Directors shall have the right to determine in accordance with the By-Laws if any noise, odor or activity producing such noise, odor or interference constitutes a nuisance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or any items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any portion of the Properties, or exposed to the view of other Owners without the prior written approval of the Board of Directors.

Section 2. SIGNS. No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the buildings or other Improvements, Dwelling Units, Lots Common Properties, or any portion of The Village at Boca Rio Complex without the prior written consent of the Board of Directors, except signs, regardless of size, used by Declarant, its successors or assigns, for advertising during the construction and sale period of any and all of The Village at Boca Rio Complex, and excepting such reasonable signs as Declarant shall authorize.

Section 3. PARKING AND VEHICULAR RESTRICTIONS. Parking upon the Properties shall be restricted to the parking areas therein designated for such purpose. No Owner shall park, store or keep on any portion of the Properties any commercial-type vehicle unless authorized by the Rules and Regulations promulgated by the Association or unless expressly authorized in writing by the Board. No Owner shall keep any other vehicle on the Common Properties which is deemed to be a nuisance by the Board. No boats and trailers, or other recreational vehicles including campers or mobile homes may be kept upon the Common Properties unless authorized by the Rules and Regulations promulgated by the Association or unless expressly authorized in writing by the Board. No Owner shall conduct repairs (except in an emergency) or restorations of any motor vehicle, boat, trailer, or other vehicle upon any portion of the Properties (including the Lots).

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Section 4. ANIMAL RESTRICTION. No animals (including livestock, reptiles or poultry) of any kind shall be raised, bred or kept on the Common Properties. No dog, cat or other pet may run loose and unattended on the Common Properties, and all such pets must be walked only in such portions of the Common Properties as may from time to time be designated for such purpose by the Association. No animal may be kept in any Townhome or Villa Dwelling Unit unless the animal is either a dog, a cat or another type of household pet (as defined by the Association). No Unit Owner may keep more than one pet without the prior consent of the Board, and no pet may be kept, bred or maintained for any commercial purpose or which becomes a nuisance or annoyance to neighbors. Owners must pick up and clean up all wastes of their pets and dispose of them appropriately. No dogs may be kept upon the terrace or patio of a Townhome and/or Villa when such Dwelling Unit's Owner is not present. Violation of any provision of this Section shall entitle the Association to all of its usual rights and remedies (including, but not limited to, the right to fine Owners) as provided herein, in the Association's By-Laws or in any applicable rules and regulations).

Section 5. TRASH AND OTHER MATERIALS. No rubbish, trash or garbage or other waste material shall be kept or permitted on the Lots and/or Common Properties and/or any other portion of The Village at Boca Rio Complex except in sanitary, self-locking containers located in appropriate areas, and no odor shall be permitted to arise therefrom so as to render the Properties or any portion of The Village at Boca Rio Complex unsanitary, unsightly, offensive or detrimental to Owners or to any other property in the vicinity thereof or to its occupants. No clothing or household fabrics shall be hung, dried, or aired in such a way as to be visible, and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk material or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Properties except within an enclosed structure appropriately screened from view, except when accumulated during construction by Declarant or except when accumulated by the Association for imminent pickup and discard.

Section 6. TEMPORARY BUILDINGS. No outbuilding, basement, tent, shack, shed or other temporary building or improvement of any kind shall be placed upon any portion of the Properties, either temporarily or permanently. No trailer, camper, motor home or recreation vehicle shall be used as a residence, either temporarily or permanently, or parked upon the Common Properties. Declarant shall be exempt from this Section.

Section 7. COMMON PROPERTIES FACILITIES. Nothing shall be altered or constructed in or removed from the Common Properties except upon the written consent of the Board.

Section 8. RULES AND REGULATIONS. Attached hereto and made a part hereof as Exhibit "H" are rules and regulations as to the use of the Common Properties which are in addition to restrictions, rules and regulations set forth elsewhere in this Declaration. Notwithstanding any other provision to the contrary in this Declaration, the Board may, from

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time to time as it deems necessary or prudent, amend, add to, delete or alter the rules and regulations specified in Exhibit "H" without necessity of amending this Declaration. A rule and regulation made, amended, added to, deleted or altered by the Board shall become effective as and when a copy of same shall be posted on the Common Properties and copies of same shall be mailed to Owners. Each Owner, lessee, and their respective families, invitees and guests, and other users of the Properties must strictly adhere to the rules and regulations specified in said Exhibit "H" as it may from time to time be amended, altered, added to or deleted, and to the restrictions, rules and regulations specified elsewhere in this Declaration. The Association shall have the rights, remedies and privileges specified in Article XIX hereof to enforce such obligations, or the breach of any rule, regulation or restriction constituting a breach of the covenants of this Declaration. However, the Declarant, for so long as it shall be a Member shall be exempt from adherence to such rules and regulations.

Section 9. ALTERATIONS. No Owner shall cause or allow Improvements or changes to any exterior portion of his Townhome and/or Villa (including, but not limited to, painting or other decorating of any nature, installing of any electrical wiring, television antenna, machinery or air-conditioning units or in any manner changing the appearance of any portion of such Townhome and/or Villa (without first obtaining the written consent of the Architectural Committee).

Section 10. NO IMPROPER USES. No improper, offensive, hazardous or unlawful use shall be made of any Townhome and/or Villa and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any Villa and/or Townhome shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Townhome or Villa as elsewhere herein set forth.

Section 11. LEASES. No portion of a Villa or Townhome (other than an entire Villa or Townhome) may be rented. All leases shall be on forms approved by the Association and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, of the Articles of Incorporation and the By-Laws of the Association, of applicable rules and regulations, or of any other agreement, document or instrument governing the Lots or Townhomes or Villas. The leasing of Townhomes and Villas shall also be subject to the prior written approval of the Association, in accordance with the terms and provision of Article XIV of this Declaration. The Owner of a leased Villa or Townhome shall be jointly and severally liable with his tenant to the Association to pay any claim for injury or damage to property caused by the negligence of the tenant. Every lease shall be subordinated to any lien filed by the Association whether before or after such lease was entered into.

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Section 12. EXTERIOR IMPROVEMENTS; LANDSCAPING. Without limiting the generality of Section 9 of this Article, no Owner shall, without first obtaining the written consent of the Committee or the Association, as the case may be, cause anything to be affixed or attached to, displayed or placed on, or hung from the exterior walls, doors, windows, patios, fencing, or terraces of his Townhome or Villa (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), or grow or plant any type of shrubbery, flower, tree, vine, grass or other plant life upon the portions of his Lot or the Common Property outside his Townhome or Villa.

Section 13. DECLARANT EXEMPTION. Declarant plans to undertake the work of constructing Dwelling Units and Improvements upon The Village at Boca Rio Complex and may undertake the work of constructing other dwelling units upon adjacent or nearby lands. The completion of that work and the sale, rental and other disposal of Dwelling Units is essential to the establishment and welfare of The Village at Boca Rio as a residential community. In order that such work may be completed and a fully occupied community be established on The Village at Boca Rio Complex as rapidly as possible, neither Owners, the Association nor the Architectural Committee shall do anything to interfere with Declarant's activities. Without limiting the generality of the foregoing, nothing in this Declaration shall be understood or construed to:

(a) Prevent Declarant and Declarant's Permittees from doing on any Property owned by them whatever they determine to be necessary or advisable in connection with the completion of said work, including, without limitation, such alteration of its construction plans and designs as Declarant deems advisable in the course of development (all models or sketches showing plans for future development of The Village at Boca Rio Complex may be modified by the Declarant any time and from time to time, without notice); or

(b) Prevent Declarant or Declarant's Permittees from erecting, constructing and maintaining on any property owned or controlled by Declarant such structures as may be reasonably necessary for the conduct of its or their business of completing said work and establishing a residential community upon The Village at Boca Rio Complex and disposing of Dwelling Units thereon by sale, lease or otherwise; or

(c) Prevent Declarant or Declarant's Permittees from conducting on any property owned or controlled by Declarant its or their business of developing, subdividing, grading and constructing Improvements upon The Village at Boca Rio Complex and of disposing of Dwelling Units therein (or disposing of dwelling units upon neighboring lands owned and developed by Declarant) by sale, lease or otherwise; or

(d) Prevent Declarant or Declarant's Permittees from determining in its or their sole discretion the nature of any type of Improvements to be initially or ultimately constructed by it or them on The Village at Boca Rio Complex;

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(e) Prevent Declarant or Declarant's Permittees from selling and leasing existing and planned Dwelling Units (including Dwelling Units on property not then submitted to this Declaration and including dwelling units upon neighboring lands owned or developed by Declarant, or its designees) including, but not limited to, constructing and maintaining sales offices, a sales and administrative trailer or trailers, fencing or other barriers abutting such sales' facility (and signs thereon) and model Dwelling Units on any portion of The Village at Boca Rio Complex, soliciting and receiving the visits of unlimited numbers of prospective purchasers and tenants (all of whom shall have the right while visiting to use parking spaces upon the Common Properties that have not been assigned to a single specific Dwelling Unit by Declarant, and to visit and inspect the facilities upon the Common Properties), and the placing of signs and other promotional devices upon any portion or portions of The Village at Boca Rio Complex without regard to their size, aesthetic appeal or the project developed by Declarant (or its designee) to which such items relate.

(f) Prevent Declarant or Declarant's Permittees from utilizing the Common Properties and other areas of The Village at Boca Rio Complex for the driving, storage or use of motor and construction vehicles and apparatus of any nature deemed necessary or proper by it or them for the construction, sale, leasing, maintenance or repair of The Village at Boca Rio Complex.

Section 14. EFFECT ON DECLARANT; SELECTIVE RELIEF. In general, the restrictions and limitations set forth in this Article shall not apply to Declarant or to Villas and/or Townhomes owned by the Declarant, nor to Institutional Mortgagees or Villas or Townhomes owned by Institutional Mortgagees. 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 Village at Boca Rio Complex and to the Improvements thereon. Declarant shall be entitled to injunctive relief for any actual or threatened interference with its rights under this Article XIII, 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 XIII for good cause shown.

Section 15. OUTSIDE INSTALLATIONS. No radio station or shortwave operators of any kind shall operate from any Dwelling Unit. No exterior radio antenna, television antenna, or other antenna of any type shall be erected or maintained upon the Properties and Improvements thereon, except that a master antenna or antennae, or cable television antenna or antennae, may be provided for the use of Owners, as approved by Declarant or the Board.

Section 16. INSURANCE RATES. Nothing shall be done or kept in the Properties or Improvements thereon which will increase the rate of insurance on any property insured by the Association without the approval

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of the Board; nor shall anything be done or kept in the Properties or Improvements thereon which would result in the cancellation of insurance on any property insured by the Association.

Section 17. DRILLING. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind, shall be permitted upon the Properties or other portions of The Village at Boca Rio Complex, 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 or natural gas shall be erected or maintained on any portions of The Village at Boca Rio Complex.

ARTICLE XIV.

SALES, RENTALS AND TRANSFERS

In order to ensure a community of congenial residents and thus protect the value of all or such portions of The Village at Boca Rio Complex as are declared to be the Properties, the sale, leasing, rental and transfer of Dwelling Units by any Owner other than Declarant shall be subject to the following terms and provisions.

Section 1. CONVEYANCES, SALES AND TRANSFERS. Any sale, conveyance or transfer of any Lot (including Townhome or Villa thereon) to any person by any Owner other than parties otherwise exempt under the terms of this Article XIV shall be subject to rights of first refusal to purchase in favor of the Association, its designee, or, if the Board of Directors in its sole discretion so desires, other members, in accordance with the terms and provisions as hereinafter set forth. Owners of Dwelling Units shall provide or require that all offers to purchase or purchase agreements contain a statement that such offer or agreement is subject to the rights of first refusal to purchase contained in this Article XIV. Prior to sale, conveyance or transfer of any Lot (including Townhome or Villa thereon) to any person, the Owner shall notify (the "Owner's Initial Notice") the Board of Directors of the Association in writing and by certified mail of the name and address of the person to whom the proposed sale, conveyance or transfer is to be made, and provide to it such other information as may be required by the Board of Directors of the Association. Within ten (10) days from the receipt of the Owner's Initial Notice, the application for transfer approval form, the purchase agreement and the receipt of such other information as has been requested by the Board of Directors (whichever shall last occur), the Board shall either approve or disapprove of a proposed sale, transfer, or conveyance, in writing (the "Board's Initial Notice") and shall notify the Owner of its decision. Any such disapprovals by the Board of Directors may be made on an arbitrary basis and the Board shall not be obligated to provide any reason or explanation therefor. In the event the Board of Directors shall fail to approve or disapprove of a proposed sale within the said ten (10) days, the failure to act as aforesaid shall be considered approval of the sale. In the event the Board of Directors

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disapproves the proposed sale, conveyance or transfer, and if an Owner still desires to consummate such sale, conveyance, or transfer, such Owner shall, within ten (10) days from the mailing of the notice of disapproval from the Board to such Owner, deposit by certified mail written notice (the "Owner's Post Disapproval Notice") to the secretary of the Association of his intention to sell, convey or transfer on a certain date, together with the price and other terms thereof. For a period of thirty (30) days from the date of an Owner's deposit in the mails of said Owner's Post Disapproval Notice, the Association or its designee, or, if the Board in its sole discretion so desires, any other member (the "Designated Purchaser") shall have the first right over the prospective purchaser to accept such sale or transfer at the price and on the terms as provided with the Owner's Post Disapproval Notice provided, however, that the making of a good faith deposit and the time for closing by the Designated Purchaser shall be controlled by the terms as hereinafter provided. In the event that the Association or its designee, or other Designated Purchaser, wishes to exercise its first right to purchase, such Designated Purchaser shall notify the secretary of the Association and shall deposit with the secretary ten percent (10%) of the purchase price as a good faith deposit prior to the expiration of the thirty (30) day period heretofore described. The secretary shall promptly forward to the Owner any such notice together with a notice of deposit. In the event that the Association, in its sole discretion, offers the Dwelling Unit to other members of the Association and more than one member desires to purchase such Dwelling Unit, it shall be discretionary with the Owner to consummate the sale or transfer with whichever one of the accepting members he so chooses. The Association, its designee or other Designated Purchaser shall, upon timely delivery of the good faith deposit, close upon the subject Dwelling Unit within thirty (30) days of the making of such deposit (if an all cash transaction) or within sixty (60) days from the date of such deposit (if other than an all cash transaction).

In the event that the secretary of the Association has not received notice of a Designated Purchaser's intent to purchase together with the aforescribed good faith deposit within thirty (30) days from the date of an Owner's deposit in the mails of the Owner's Post Disapproval Notice, then that member may complete the sale or transfer on the day and at the price and terms given in or provided with his Post Disapproval Notice, but on no other day or at no other price or terms without repeating the procedure outlined above. In the event that the Dwelling Unit Owner makes a sale or transfer without first complying with the terms hereof, the Association, its designee, or, if the Board in its sole discretion desires, any other member, shall have the right to redeem from the purchaser, according to the provisions hereof. Such redemption rights shall be exercised by the redeeming party reimbursing the purchaser for the monies expended, and immediately after such reimbursement, said purchaser or transferee shall convey all of his right, title and interest to the party or parties making the redemption.

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An affidavit of the secretary of the Association stating that the Board of Directors approved or was deemed to have approved (such as, without limiting the generality of the foregoing, by its failure to act) in all respects on a certain date the sale or transfer of a Dwelling Unit to a certain person(s) shall be deemed conclusive evidence of such fact, and from the date of approval as stated in the affidavit the redemption rights herein afforded the members shall terminate with respect to the sale or transfer as aforementioned. An affidavit of the secretary of the Association stating that the Board of Directors was given proper notice on a date certain of a proposed sale or transfer, and that the Board of Directors disapproved such proposed sale or transfer and that thereafter, all of the provisions hereof which constitute conditions precedent to a subsequent sale or transfer of a Dwelling Unit have been complied with, and that the sale or transfer of the particular Dwelling Unit to particularly named persons does not violate the provisions hereof, shall be deemed conclusive evidence of such facts for the purpose of determining the status of the person's title to such Dwelling Unit as was sold or transferred. Such affidavit shall not be evidence of the fact that the subsequent sale or transfer to such persons was made at the price, terms, or date stated in the notice given to the secretary, but sixty (60) days after the date of the notice to the Board of Directors as stated in the affidavit, the redemption rights herein afforded the members shall terminate.

Section 2. RENTAL OR LEASE. No Dwelling Unit upon the Properties shall be leased or rented without the prior written approval of the Association, which approval shall not be unreasonably withheld. The Board of Directors shall approve the form of the lease or have the right to require that a substantially uniform form of lease be used. In the event that the Board of Directors approves a rental or lease, such approval of such lease or rental shall not release the Owner from any obligations under this Declaration, and either the Owner or the lessee shall have the right to use the Common Properties to the exclusion of the party not occupying the Dwelling Unit.

Section 3. CORPORATIONS; OTHER ENTITIES. If the purchaser or lessee is a corporation or other entity other than an individual person, the approval by the Board may be conditioned upon the approval by the Association of all occupants of the Dwelling Unit.

Section 4. DEATH OF OWNER. In the case of the death of the Owner of a Townhome or Villa Dwelling Unit, the surviving spouse, if any, and if no surviving spouse, the other member or members of such Owner's family residing with the Owner at the time of his death, may continue to occupy the said Dwelling Unit; and if such surviving spouse or other member or members of the decedent Owner's family shall have succeeded to the ownership of the Dwelling Unit, the ownership thereof shall be transferred by legal process to such new Owner. In the event said decedent shall have conveyed or bequeathed the ownership of his Dwelling Unit to some designated person or persons other than the surviving spouse

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or members of his family, as aforescribed, or if some other person is designated by such decedent's legal representative to receive the ownership of the Dwelling Unit, or if under the laws of descent and distribution of the State of Florida, the Dwelling Unit descends to some person or persons other than his surviving spouse or members of his family as aforescribed, the Board of Directors of the Association shall, within thirty (30) days of proper evidence or rightful designation served upon the president or any other officer of the Association, or within thirty (30) days of the date the Association is placed on actual notice of the said devisee or decedent, express its refusal or acceptance of the individual or individuals so designated as Owners of the Dwelling Unit. If the Board of Directors of the Association shall consent, ownership of the Dwelling Unit may be transferred to the person or persons so designated, who shall thereupon become the Owner of the Dwelling Unit, subject to the provisions of this Declaration. If, however, the Board of Directors of the Association shall refuse to consent, then the members of the Association shall be given an opportunity during thirty (30) days next after the said above-mentioned thirty (30) days to purchase or to furnish a purchaser for cash for the said Dwelling Unit at the then fair market value thereof; should the parties fail to agree on the value of such Dwelling Unit, the same may be determined by an appraiser appointed by the senior judge of the Circuit Court in and for Broward or Palm Beach County, Florida (whichever the Board of Directors shall select), upon ten (10) days' notice, on petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons or legal representatives of the deceased Owner out of the amount realized from the sale of the Dwelling Unit. In the event the then members of the Association do not exercise the privilege of purchasing or furnishing a purchaser for the Dwelling Unit within such period, and upon such terms, the person or persons so designated may then, and only in such event, take title to the Dwelling Unit; or such person or persons or the legal representative of the deceased Owner may sell the Dwelling Unit; but such sale shall be subject in all other respects to the provisions of this Declaration.

Section 5. MORTGAGE. No Owner may mortgage his Lot or any interest therein without the approval of the Association, except to an institutional mortgagee. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

Section 6. EFFECT OF NON-COMPLIANCE. Any sale, mortgage or lease not authorized pursuant to the terms of this Article XIV and this Declaration shall be void unless subsequently approved by the Association in writing.

Section 7. SCREENING FEE. At the discretion of the Board of Directors, there shall be deposited and delivered to the Association a reasonable screening fee not to exceed Fifty Dollars (\$50.00) simultaneously with the giving of notice of intention to sell or lease or

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transfer for the purpose of defraying the Association's expense. No fee shall be charged in connection with a transfer or approval in excess of the expenditures reasonably required.

Section 8. CO-TENANT EXEMPTION. The foregoing provisions of this Article XIV shall not apply to a transfer by a Dwelling Unit Owner to any member of his immediate family (for example, spouse, children or parents); or if a Lot is owned by a form of co-tenancy to transfers from one co-tenant to the other co-tenant.

Section 9. JUDICIAL SALE. No judicial sale of a Lot or any interest therein shall be valid unless (i) the sale is to a purchaser approved by the Association, which approval shall be in recordable form, executed by two (2) officers of the Association, and delivered to the purchaser; or (ii) the sale is the result of a public sale with open bidding.

Section 10. SPECIAL POWER OF DISAPPROVAL. Notwithstanding anything contained in this Article XIV to the contrary, the Board of Directors of the Association shall have the right to withhold consent and approval of any prospective Dwelling Unit purchaser or lessee to any lease, sale, transfer, conveyance, bequest, devise, or otherwise in the event those prospective owners or lessees would automatically violate or breach any terms, condition, restriction, rule or regulation, or covenant under this Declaration or exhibits hereto.

Section 11. INSTITUTIONAL MORTGAGEE EXEMPTION. The foregoing provisions of this Article XIV shall not apply to a transfer to or purchase by an Institutional Mortgagee that acquires its title as a result of owning a mortgage upon the Lot concerned, and this shall be so whether title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by an Institutional Mortgagee that so acquires its title; nor shall such provisions apply to a transfer, sale or lease by a "Bulk Grantee" of an Institutional Mortgagee upon the Lot concerned. A "Bulk Grantee" refers to a grantee acquiring three (3) or more Lots from said Institutional Mortgagee. The assignee or successor of a mortgage originally given to an Institutional Mortgagee shall enjoy the same rights, immunities and privileges as are herein granted to such Institutional Mortgagee. The foregoing provisions of this Article XIV shall not apply to the Declarant or to its assignee or nominee, or to any person who is an officer, stockholder, director, or partner of the Declarant, and any such person or corporation shall have the right to freely sell, lease, transfer or otherwise deal with title and possession of a Lot without the approval or consent of the Association and without payment of any screening fees.

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ARTICLE XV.

DAMAGE OR DESTRUCTION TO COMMON PROPERTIES

Section 1. Damage to or destruction of all or 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 or destruction to the Common Properties, and 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 cost of restoration of the Common Properties exceeds the insurance proceeds available for that purpose by Twenty Five Thousand Dollars (\$25,000.00) or less 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 proportionately against each of the Owners, in accordance with the provisions of Article IX, Section 4, of this Declaration.

(c) If the cost of restoration of the Common Properties exceeds the insurance proceeds available for that purpose by over Twenty Five Thousand Dollars (\$25,000.00) or more, then by written consent or vote of a majority of the Owners, they shall determine whether (i) to rebuild and restore in substantially the same manner as the Improvements existed prior to damage and to raise the necessary funds over the insurance proceeds by levying equal Reconstruction Assessments against all Dwelling Units, (ii) to rebuild and 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 (iii) subject to the approval of the Committee, to not rebuild and to retain available insurance proceeds. Notwithstanding anything contained herein to the contrary, 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 prior written approval of Declarant as long as Declarant owns all or any portion of the lands comprising The Village at Boca Rio Complex.

(d) Each Owner shall be liable to the Association for any damage to the Common Properties not fully covered or collected by insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family, invitees, lessees and guests, both minors and adults. Notwithstanding the foregoing, the Association reserves the right to charge a Special Assessment equal to the increase, if any, of the insurance premium directly attributable to the damage caused by such Owner. In the case of joint ownership of a Dwelling Unit, the liability of such Owners shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint Owners to the contrary. The cost of correcting such damage shall be a Special Assessment against the Lot and Dwelling Unit thereon and may be collected as provided herein for the collection of Assessments.

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ARTICLE XVI.

INSURANCE

Section 1. COMMON PROPERTIES. The Association shall keep all buildings, Improvements and fixtures located upon the Common Properties insured against loss or damage by fire for the full insurable replacement cost thereof, 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 Properties shall be written in the name of the Association and the proceeds thereof shall be payable to it. Subject to the provisions of Article XV, 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 Common 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 Properties, the Association shall repair or replace the same from the insurance proceeds available, subject to the provisions of Article XV of this Declaration. 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 Reconstruction 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 Common Assessments made against such Dwelling Unit Owners, subject to the provisions of Article XV 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 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, in such limits as it shall deem desirable, 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, including, if obtainable, a cross-liability endorsement insuring each Owner against liability to each other Owner. The Association may also obtain Workmen's Compensation insurance and other liability insurance as it may deem desirable,

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insuring each Owner and the Association, and Board of Directors from liability in connection with the Common Properties, the premiums for which shall be Common Expenses included in the Common Assessments made against the Dwelling Unit Owners. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion. The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it seems advisable, insuring the Board, the Committee, and the 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 XVII.
MORTGAGEE PROTECTION CLAUSE

Section 1. ADDITIONAL RIGHTS. In addition to all other rights herein set forth and with respect to Improvements upon the Properties, institutional first mortgagees shall have the following rights (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) Each First Mortgagee of a Mortgage encumbering any 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 and Dwelling Unit in the performance of such Mortgagor's obligations under this Declaration, the Articles of Incorporation of the Association or the By-Laws of the Association, which default is not cured within thirty (30) days after the Association learns of such default.

(b) Each First Mortgagee of a Mortgage encumbering any Dwelling Unit which obtains title to such Dwelling Unit pursuant to the remedies provided in such Mortgage or by foreclosure of such Mortgage, shall take title to the Dwelling Unit free and clear of any claims of unpaid assessments or charges against such Dwelling Unit which accrued prior to the acquisition of title to such Dwelling Unit by the Mortgagee.

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

(1) by act or omission seek to sell or transfer the Common Properties and the Improvements thereon 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 or the transfer of the Common Properties to an unincorporated association of the Owners in accordance with the terms hereof shall not be deemed a transfer within the meaning of this clause;

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

(3) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of any portion of the Properties;

(4) fail to maintain fire and extended coverage on insurable portions of the Common Properties 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;

(5) use hazard insurance proceeds for losses to any Common Properties for other than the repair, replacement or reconstruction of such Improvements (or for reserves for the repair, replacement or reconstruction of the Properties); or

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

(d) First Mortgagees shall 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 (ii) receive an unaudited financial statement of the Association within ninety (90) days after each of its fiscal years closes, (iii) receive an endorsement to each insurance policy covering the Properties that requires the Institutional Mortgagee to be given any notice of cancellation provided for in the policy, (iv) receive from the Association written notice of any meeting of the Association's membership and to attend any such meeting and (v) receive timely written notice of casualty damage to or condemnation of any part of any Lot on which a Townhome or Villa is situate and upon which it has a mortgage.

(e) All First 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 or the Articles of By-Laws of the Association and prior to the effective date of any termination of any agreement for professional management of the Common Properties following a decision of the Owners to assume self-management of the Common Properties; and (ii) immediate notice following any damage to the Common Properties 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 Properties.

(f) First Mortgagees may, jointly or individually, pay taxes or other charges which are in default and which may or have become a charge against any Common Properties facilities and may pay any overdue premiums on hazard insurance policies, or secure new hazard insurance

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coverage on the lapse of a policy, for such property, and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association and the appropriate Owners thereof.

ARTICLE XVIII.

ENCROACHMENTS; EASEMENTS

Section 1. ENCROACHMENTS. If (a) any portion of the Common Properties encroaches upon any other portion of the Properties; (b) any other portion of the Properties or of The Village at Boca Rio Complex (including, but not limited to the roof of any building containing Townhomes, Villas or other dwelling units) encroaches upon the Common Properties; or (c) any encroachment shall hereafter occur as the result of (i) construction of any building or other Improvements; or (ii) settling or shifting of a building or other Improvements; or (iii) any alteration or repair to the Properties or The Village at Boca Rio Complex; or (iv) any repair or restoration of any building or other Improvements or any of the Properties after damage by fire or other casualty or any taking of condemnation or eminent domain proceedings of all or any portion of any building, Improvements or Properties, then in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the structure causing the encroachment shall stand.

Section 2. PIPES, WIRES, DUCTS, VENTS, CABLES, CONDUITS, PUBLIC UTILITY LINES, ETC. Each portion of the Properties and all portions of The Village at Boca Rio Complex not then declared as the Properties shall have an easement in common with all other parts thereof to hook up to, share, use, maintain, repair, alter, relocate and replace all pipes, wires, ducts, vents, cables, conduits, public utility lines, and similar or related facilities located in or on The Village at Boca Rio Complex and serving any such portions thereof. Each portion of the Properties and all portions of The Village at Boca Rio Complex not then declared as the Properties shall be subject to an easement in favor of all other portions thereof to hook up to, share, use, maintain, repair, alter, relocate and replace the pipes, wires, ducts, vents, cables, conduits, public utility lines and other similar or related facilities located in such portion of The Village at Boca Rio Complex and serving any other portions thereof. Without limiting the generality of the foregoing, the Declarant or other providing utility or service company may by virtue of this easement, install, maintain, relocate, join into, share and replace facilities on the Properties, or any other portion of The Village at Boca Rio Complex not then declared as the Properties, may excavate for those purposes and may affix, maintain and replace wires, pipes, circuits, lines, conduits, and cable television equipment on, in, under and/or beside the roofs and exterior walls of Dwelling Units and/or the buildings in which such Townhome and/or Village Dwelling Units are located. The Declarant is expressly authorized to execute and record

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whatever instruments it deems necessary or desirable to effect or evidence the easement created by this Section, and shall be considered an agent of each Dwelling Unit Owner for the purposes of executing and recording any such instrument with respect to any portion of the Properties owned by that Owner. To be effective, any such instrument need only be executed by Declarant.

Section 3. EASEMENTS OF SUPPORT. Whenever any structure included in the Common Properties, or any other portion of The Village at Boca Rio Complex not then declared as the Properties, adjoins any structure included in any other part of the Properties, each such structure shall have and be subject to an easement of support and necessity in favor of the other structure.

Section 4. DECLARANT'S RESERVATION. 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 Common Properties, Properties, and other property comprising The Village at Boca Rio Complex, owned by Declarant for the purpose of completing construction, leasing and sale of Dwelling Units and facilities upon the Properties 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 Common Properties, Properties, and other property comprising The Village at Boca Rio Complex, 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 televisions, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Properties, Properties, and other property comprising The Village at Boca Rio Complex.

The Declarant and Declarant's Permittees shall have an easement in, on, over and across the Properties, in connection with the development of The Village at Boca Rio Complex or any similar projects which may be developed by Declarant or its successors in interest in the vicinity thereof or upon portions of The Village at Boca Rio Complex not then declared as 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 Unit 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 Properties or The Village at Boca Rio Complex, provided such easement and use does not prevent or unreasonably interfere with the use of the Properties as intended, and (ii) ingress to and egress from all land areas of the Common Properties (including the private paved areas adjacent to or serving the access roads) and the use of said land areas (in common with Owners) for any

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lawful purpose, and (iii) to erect, maintain, repair and replace from time to time one or more signs on the Common Properties for the purposes of advertising the sale of Dwelling Units upon all or any portion of The Village at Boca Rio Complex 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 to all or portions of The Village at Boca Rio Complex not then declared as the Properties on such lands or in the vicinity of The Village at Boca Rio Complex. 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 Properties of The Village at Boca Rio Complex, to relocate any existing utility, sewer and drainage easements in any portion of the Properties to hook up to, join in with or share with any and all existing utilities' pipes, wires, and lines (for the benefit of improvements upon nearby lands owned by Declarant but not within the Complex) 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 Properties or any portion thereof 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 Dwelling Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Properties, and the employees and agents of any such company or corporation, shall have the right of access to the Common Properties 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 XIX.
WORKING CAPITAL FUND

At the time the Declarant sells and closes each Lot to each purchaser, such purchaser shall deposit a sum equal to two (2) times such purchaser's monthly Association maintenance expense into a working capital fund for the purpose of initial maintenance, reserve, emergency needs, initial items, non-recurring items, capital expenses, permits, licenses and all utility deposits and advance insurance premiums for insurance policies and coverages pursuant to this Declaration and the Exhibits attached hereto. All of the foregoing expenses or items may be paid from the working capital fund. If the Declarant has paid any of the foregoing expenses or items, then any such expense or item shall be paid to or reimbursed to the Declarant from the working capital fund. The working capital fund may be commingled by the Association with any of its other funds.

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ARTICLE XX.

COMPLEX INGRESS AND EGRESS EASEMENTS

In addition to easements for ingress, egress, pedestrian and vehicular traffic, utilities and other general easements set forth in this Declaration and expressly deemed to be applicable to The Village at Boca Rio Complex, there shall be, and Declarant hereby reserves, grants, and covenants for itself, all future Owners, Institutional Mortgagees of either the Properties or The Village at Boca Rio Complex (or any portions thereof, the Association, any other association governing dwelling units constructed upon portions of The Village at Boca Rio Complex not declared as the Properties, all record fee simple interest titleholders to all or any portion of The Village at Boca Rio Complex regardless of whether or not such interests are upon lands declared as the Properties, as well as their respective guests and invitees (collectively, the "Beneficiaries") that all such Beneficiaries shall have non-exclusive easements for vehicular and pedestrian ingress and egress over the streets and roads depicted upon the plat for The Village at Boca Rio and such other streets and roads located upon The Village at Boca Rio Complex which are otherwise paid and intended for the purpose of creating vehicular and/or pedestrian ingress and egress through, and access about The Village at Boca Rio Complex to adjacent and/or abutting public roadways the provisions of this Article XX shall not be amended and the provisions hereof shall be superior to the provisions of Section 6 of Article XXI below.

ARTICLE XXI.

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, Townhomes, Villas, the Properties, and with every part thereof and interest therein, and where expressly noted as such, with the lands of The Village at Boca Rio Complex and all of the provisions hereof shall be binding upon and inure to the benefit of the Declarant and subsequent owner(s) of the Lots and Villas and Townhomes and Properties 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 Townhomes and/or Villas 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 Townhome or Villa, or the entering into a lease of, or occupancy

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of any Townhome or Villa 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 provisos 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 forty (40) years from the date the Initial Declaration is recorded. After that time, they shall automatically be extended for successive periods of fifteen (15) years each unless an instrument has been recorded in which seventy percent (70%) of the then Owners and seventy percent (70%) 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 of Incorporation and the By-Laws may be enforced 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 by any Owner, the Declarant, 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, Declarant and/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, Articles or in the By-Laws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

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

(e) A breach of the covenants, conditions or restrictions contained in this Declaration, the Articles or in the By-Laws shall not affect or impair the lien or charge of any Mortgage made in good faith and for value on any Lot containing a Townhome or Villa Dwelling Unit, provided, however, that any subsequent Owner of such Dwelling Unit shall be bound by said covenants, whether such Owner's title was acquired by foreclosure sale or otherwise.

Section 4. SEVERABILITY. Invalidation of any one of the provisions, covenants or restrictions 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 the phased development of a residential community and for the maintenance of community recreational facilities and Common Properties. 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. This Declaration may be amended by the Association as follows: (a) by the affirmative vote or written consent of the Owners holding not less than sixty-six and two-thirds percent (66-2/3%) of the voting power of the Class A Membership and the affirmative vote of the Class B Membership (so long as the Class B Membership exists); or (b) by the affirmative vote of the Class "B" Membership; provided, however, that no amendment shall be permitted which has a material adverse effect upon substantial rights of the Declarant or a First Mortgagee without the prior written consent of the Declarant or First Mortgagee, as appropriate. Without in any way limiting the generality of clause (b) above, as long as it is the Class B member or owns one or more Lots, the Declarant shall have an absolute right to make any amendments to this Declaration (without any other party's consent or joinder) requested or required by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, or other governmental or quasi-governmental body which owns or expects to own one or more institutional mortgages or to insure the payment of one or more institutional mortgages or requested or required by any institutional mortgagee or prospective institutional mortgagee to enhance the saleability of institutional mortgages owned by it to one or more of the foregoing. Nothing contained herein shall

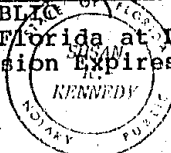
B4695 P1393

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

THE FOREGOING Declaration of Covenants, Restrictions and Easements was acknowledged before me this 29th day of June, 1985, by STEPHEN LEON as President and MICHAEL WEITZMAN as Secretary of The Village at Lake Boca Rio, Inc., a Florida corporation (Declarant), to me well known and known to me to be the persons described in and who executed the foregoing instrument and acknowledged to and before me that they executed said instrument on behalf of the said corporation in the capacities and for the purposes therein expressed.

WITNESS my hand and official seal in the State and County last aforesaid on this 29th day of June, 1985.

Susan R. Kennedy
NOTARY PUBLIC
State of Florida at Large
My Commission Expires:



MY COMMISSION EXP. JULY 26, 1988

BML/alc/0408A-52

84695 P1395

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EXHIBIT "A" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

LEGAL DESCRIPTION FOR
THE VILLAGE AT BOCA RIO COMPLEX

This is not a certified copy

84695 P1397

BML/alc/0406A-3
09/28/84 - D-0005A

DESCRIPTION: THE VILLAGE AT BOCA RIO (OVERALL)

Tracts 51 to 60, inclusive, Block 80, THE PALM BEACH FARMS PLAT NO. 3, a Subdivision in Palm Beach County, Florida, according to the Plat thereof, as recorded in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, in Plat Book 2, Pages 45 to 54, except that part of Tract 51, lying East of the West line of Sunshine State Parkway as described in Deed Book 1141, Page 194, Palm Beach County Records, and LESS the North 28.00 feet of Tract 54 of said Block 80 (Deed Book 129, Page 127, Palm Beach County Records), and LESS the Easterly 60.00 feet thereof. Containing 50.8774 acres, more or less.

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

WEW:slc
Job No. A003
12/10/84

84695 P1398

This is not a certified copy

EXHIBIT "B" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

LEGAL DESCRIPTION FOR THE PROPERTIES

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B4695 P1399

BML/alc/0406A-4
09/28/84 - D-0005A

EXHIBIT "C" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

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LEGAL DESCRIPTION FOR THE LOTS

84695 P1400

BML/alc/0406A-5
09/28/84 - D-0005A

LEGAL DESCRIPTION FOR THE LOTS

The Lots shall mean and refer to the Lots depicted upon the Plat for The Village at Boca Rio Phase I, a part of The Village at Boca Rio, a P.U.D., as actually recorded and depicted amongst the Public Records of Palm Beach County, Florida.

The Proposed Plat is attached as sheet 2 of 4 hereto, an enlargement thereof is attached as sheet 3 of 4 hereto, and the Legal Description for the lands being platted is attached as sheet 4 of 4 hereto.

This is not a certified copy

84695 P1401

DESCRIPTION: THE VILLAGE AT BOCA RIO PHASE I

A portion of Tracts 51 through 54, Block 80, PALM BEACH FARMS PLAT NO. 3, a subdivision in Palm Beach County, Florida, according to the Plat thereof, as recorded in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida in Plat Book 2, Pages 45 through 54, being more particularly described as follows:

BEGINNING at the intersection of the North line of said Tract 51 and a line 60.00 feet West of the West line of the Sunshine State Parkway, as described in Deed Book 1141, Page 194, of the Public Records of Palm Beach County, Florida; thence North $89^{\circ}57'03''$ West along the North line of said Tracts 51 through 54, a distance of 1027.72 feet to the Northeast corner of said Tract 54; thence South $00^{\circ}01'02''$ East along the East line of said Tract 54, a distance of 28.00 feet; thence North $89^{\circ}57'03''$ West along a line 28.00 feet South of and parallel to the North line of said Tract 54, a distance of 152.97 feet; the last two described courses being further described as being described in Deed Book 129, Page 127, of the Public Records of Palm Beach County, Florida; thence South $00^{\circ}44'43''$ East, a distance of 324.50 feet; thence North $89^{\circ}57'03''$ West, a distance of 92.41 feet; thence South $00^{\circ}44'43''$ East, a distance of 307.56 feet; thence South $89^{\circ}57'03''$ East along the South line of Tract 54 and an Easterly projection thereof, a distance of 1273.46 feet; thence North $00^{\circ}44'43''$ West along a line 60.00 feet West of said West right-of-way line of the Sunshine State Parkway, a distance of 660.06 feet to the POINT OF BEGINNING. Said lands situate, lying and being in Palm Beach County, Florida. Containing 18.4486 acres, more or less.

Subject to that certain 55.00 foot exclusive Drainage Easement to Lake Worth Drainage District, as recorded in O.R. Book 4365, Pages 1242 and 1243, of the Public Records of Palm Beach County, Florida.

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

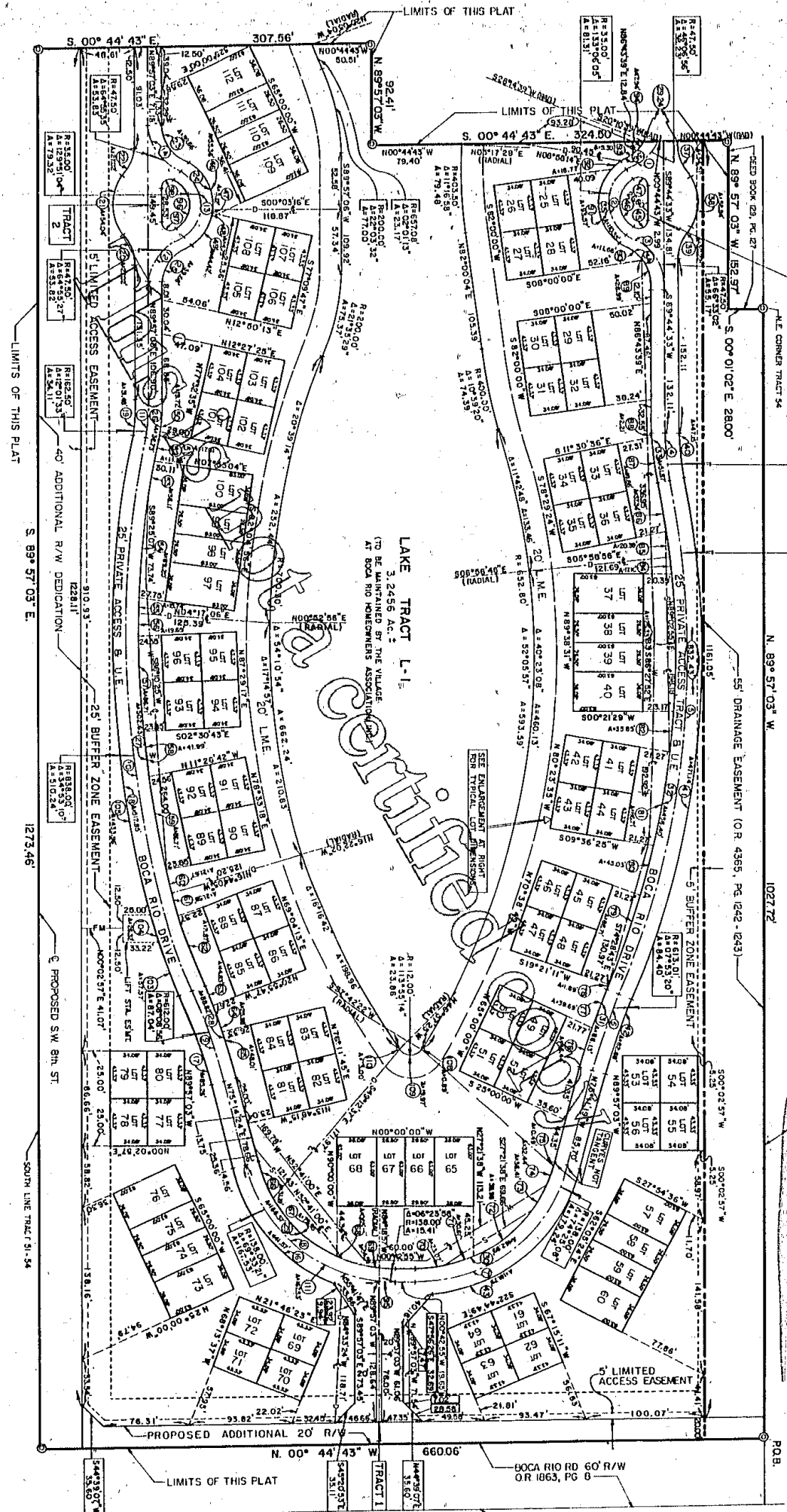
WEW:slc
Job No. A003
1/22/85

B4695 P1402

Darby and Way, Inc.

PROFESSIONAL SURVEYING AND ENGINEERING

8300 N.E. 1st AVE., FT. LAUDERDALE, FLORIDA 33334
(305) 771-0051

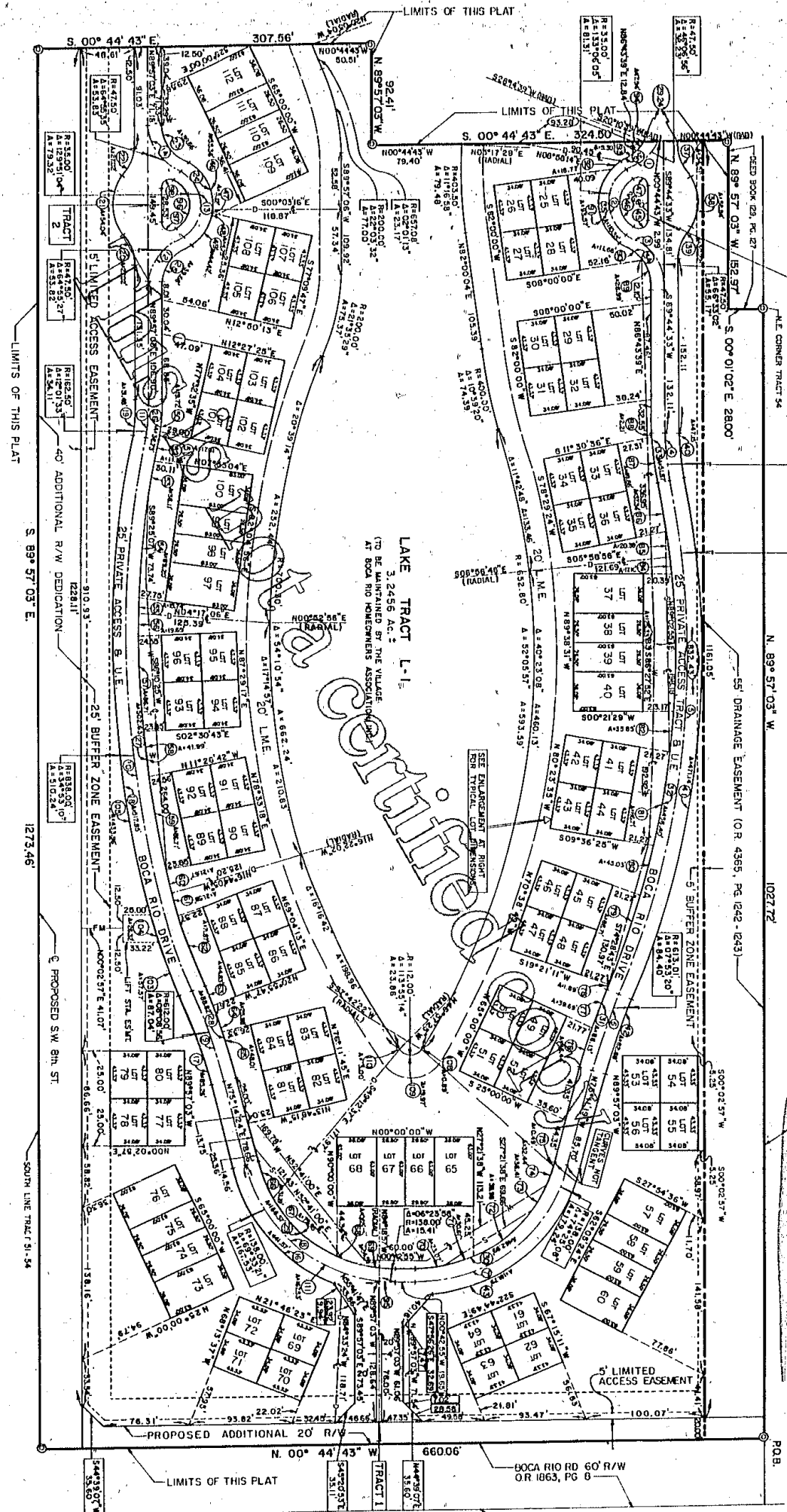


Certified
 Copy

LAKE TRACT L-1
 3.2456 AC.
 (TO BE MAINTAINED BY THE VILLAGE
 AT BOCA RIO HOMEOWNERS ASSOCIATION)

RECORDERS MEMO: Legibility
 of Writing, Typing or Printing
 unsatisfactory in this document
 when received.

404TD 5694B



LAKE TRACT L-1
 3.2456 AC.
 (TO BE MAINTAINED BY THE VILLAGE
 AT BOCA RIO HOMEOWNERS ASSOCIATION)

RECORDERS MEMO: Legibility
 of Writing, Typing or Printing
 unsatisfactory in this document
 when received.

404TD 5694B

DESCRIPTION: THE VILLAGE AT BOCA RIO PHASE 1

A portion of Tracts 51 through 54, Block 80, PALM BEACH FARMS PLAT NO. 3, a subdivision in Palm Beach County, Florida, according to the Plat thereof, as recorded in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida in Plat Book 2, Pages 43 through 54, being more particularly described as follows:

BEGINNING at the intersection of the North line of said Tract 51 and a line 60.00 feet West of the West line of the Sunshine State Parkway, as described in Deed Book 1141, Page 194, of the Public Records of Palm Beach County, Florida; thence North $89^{\circ}57'03''$ West along the North line of said Tracts 51 through 54, a distance of 1027.72 feet to the Northeast corner of said Tract 54; thence South $00^{\circ}01'02''$ East along the East line of said Tract 54, a distance of 28.00 feet; thence North $89^{\circ}57'03''$ West along a line 28.00 feet South of and parallel to the North line of said Tract 54, a distance of 152.97 feet; the last two described courses being further described as being described in Deed Book 129, Page 127, of the Public Records of Palm Beach County, Florida; thence South $00^{\circ}44'43''$ East, a distance of 324.50 feet; thence North $89^{\circ}57'03''$ West, a distance of 27.41 feet; thence South $00^{\circ}44'43''$ East, a distance of 307.56 feet; thence South $89^{\circ}57'03''$ East along the South line of Tract 54 and an Easterly projection thereof, a distance of 1273.46 feet; thence North $00^{\circ}44'43''$ West along a line 60.00 feet West of said West right-of-way line of the Sunshine State Parkway, a distance of 660.06 feet to the POINT OF BEGINNING. Said lands situate, lying and being in Palm Beach County, Florida. Containing 18.4486 acres, more or less.

Subject to that certain 55.00 foot exclusive Drainage Easement to Lake Worth Drainage District as recorded in O.R. Book 4365, Pages 1242 and 1243, of the Public Records of Palm Beach County, Florida.

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

WEW:slc
Job No. A003
1/22/85

B4695 P1405

Sheet 4 of 4

Doby and Woy, Inc.

PROFESSIONAL SURVEYING AND ENGINEERING

6300 N.E. 1st AVE., FT. LAUDERDALE, FLORIDA 33334
(305) 771-0031

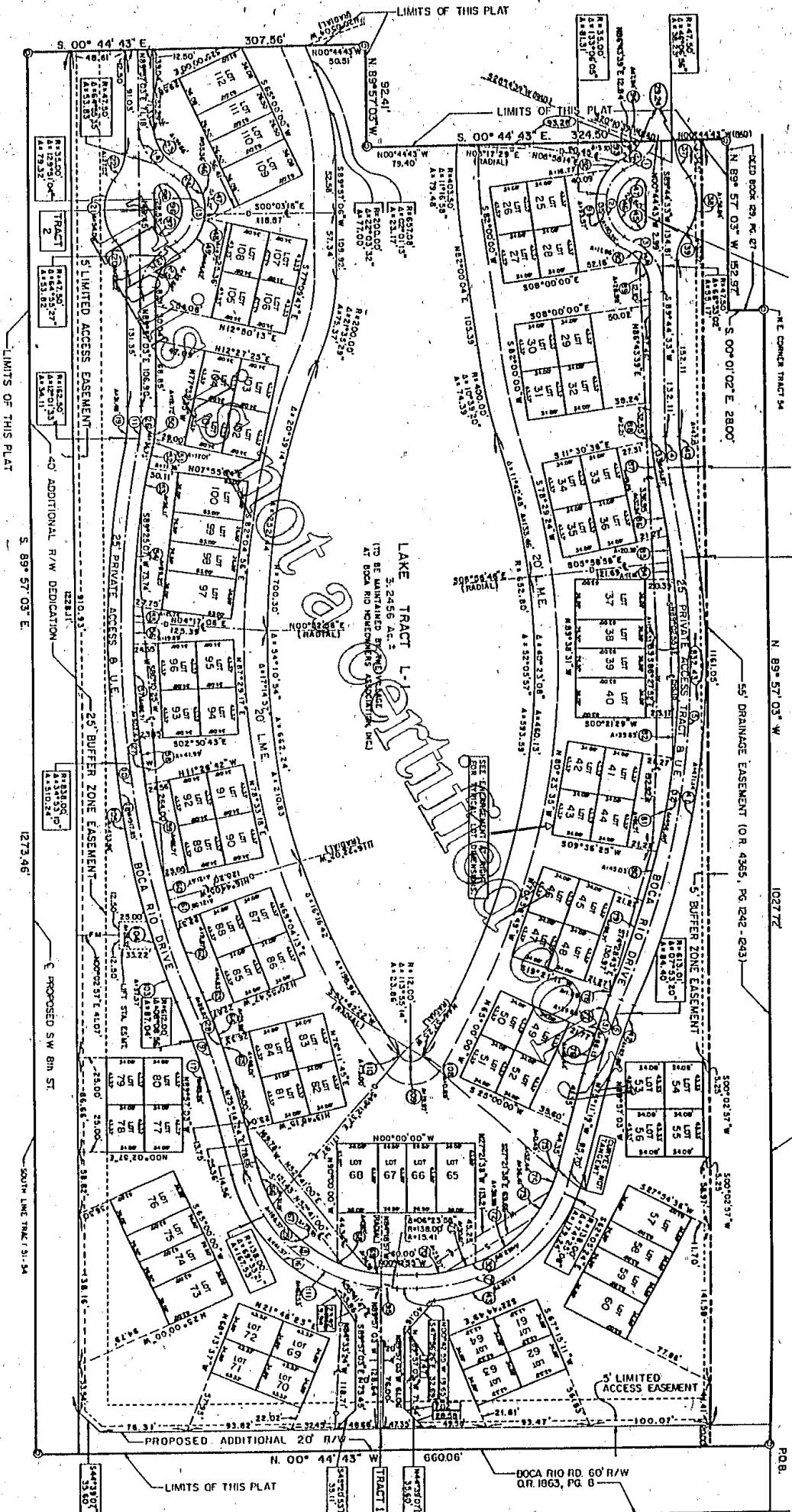
EXHIBIT "D" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

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SITE PLAN FOR THE PROPERTIES

84695 P1406

BML/alc/0406A-6
09/28/84 - D-0005A



LAKE TRACT L-1
 3.2456 AC.
 TO BE MAINTAINED BY THE LANDOWNER
 AT ROCK RID HOMEOWNERS ASSOCIATION (MCA)

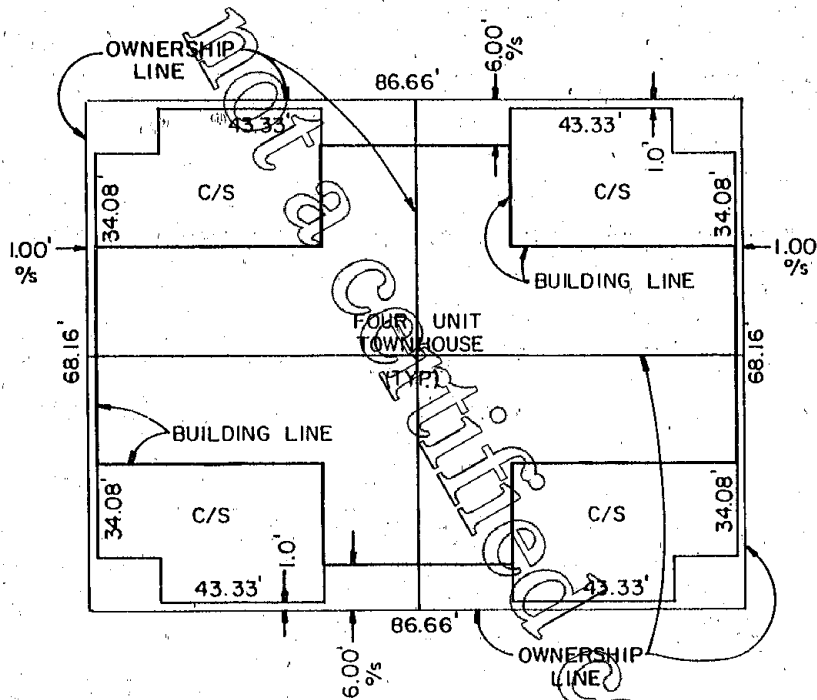
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LO4TID 56948

TOWNHOUSE TYPICAL
VILLAGE AT BOCA RIO



This is



B4695 P1408

THE LANDS SHOWN HEREON WERE NOT ABSTRACTED, BY THE UNDERSIGNED, FOR RIGHTS-OF-WAY, EASEMENTS, RESEVATIONS AND OTHER SIMILIAR MATTERS OF RECORD SUCH INFORMATION SHOULD BE OBTAINED AND VERIFIED BY OTHERS THROUGH APPROPRIATE TITLE VERIFICATION.

THIS DRAWING IS THE PROPERTY OF DARBY and WAY, INC. AND SHALL NOT BE USED OR REPRODUCED IN WHOLE OR PART WITHOUT WRITTEN PERMISSION.

A003

Darby and Way, Inc.
PROFESSIONAL SURVEYING AND ENGINEERING

6300 N.E. 1st AV. FT. LAUDERDALE, FLORIDA 33334
305-771-0051

SCALE 1" = 20'
DATE 1/21/05
BY B.F.
CHECK [Signature]
FIELD BOOK [Signature]
PAGE

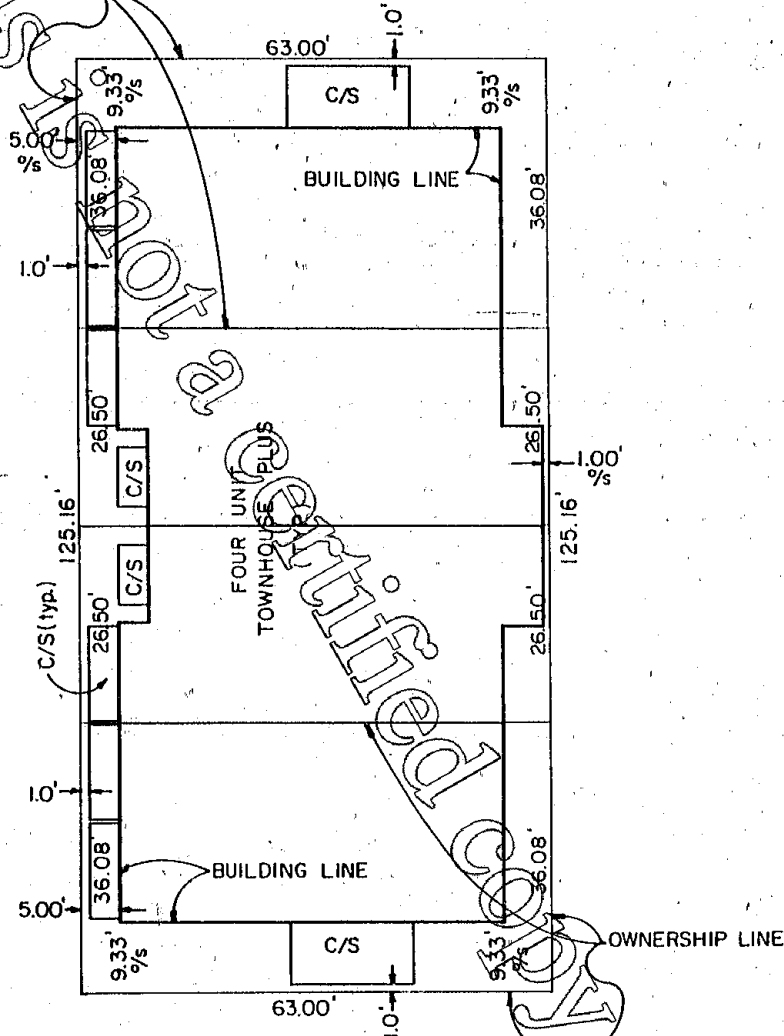
REVISIONS #2/4r ADDITIONS

NO.	DESCRIPTION	BY	CR'D	DATE

TOWNHOUSE PLUS-TYPICAL
VILLAGE AT BOCA RIO



OWNERSHIP LINE



B4695 P1409

THE LANDS SHOWN HEREON WERE NOT ABSTRACTED, BY THE UNDERSIGNED, FOR RIGHTS-OF-WAY, EASEMENTS, RESEVATIONS AND OTHER SIMILIAR MATTERS OF RECORD SUCH INFORMATION SHOULD BE OBTAINED AND VERIFIED BY OTHERS THROUGH APPROPRIATE TITLE VERIFICATION.

THIS DRAWING IS THE PROPERTY OF DARBY and WAY, INC. AND SHALL NOT BE USED OR REPRODUCED IN WHOLE OR PART WITHOUT WRITTEN PERMISSION.

A003

Darby and Way, Inc.
PROFESSIONAL SURVEYING AND ENGINEERING
6300 NE 1st AV. FT LAUDERDALE, FLORIDA 33334
305-771-0051

SCALE 1"=20'
DATE 1/21/85
BY B.F.
CHECK [initials]
FIELD BOOK N/A
PAGE

REVISIONS	ADD/DEL	ADDITIONS	BY	CR/D	DATE

EXHIBIT "E" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

LEGAL DESCRIPTION
FOR THE COMMON PROPERTIES

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B4695 P1410

BML/alc/0406A-7
09/28/84 - D-0005A

LEGAL DESCRIPTION FOR THE COMMON PROPERTIES

Common Properties shall mean and refer to the Properties legally described in Exhibit "B" to the Declaration less and except the Lots legally described in Exhibit "C" to the Declaration.

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84695 P1411

EXHIBIT "F" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

ARTICLES OF INCORPORATION FOR
THE VILLAGE AT BOCA RIO HOMEOWNERS' ASSOCIATION, INC.

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84695 P1412

BMI/alc/0406A-8
09/28/84 - D-0005A

ARTICLES OF INCORPORATION

OF

THE VILLAGE AT BOCA RIO HOMEOWNERS' ASSOCIATION, INC.

The undersigned subscribers, desiring to form a corporation not for profit under Chapter 617, Florida Statutes, hereby adopt the following Articles of Incorporation.

ARTICLE I.

The name of the corporation shall be THE VILLAGE AT BOCA RIO HOMEOWNERS' ASSOCIATION, INC. (hereinafter referred to as the "Association").

ARTICLE II.

Terms used herein shall have the meanings ascribed to them in the Declaration referred to below, unless the context indicates otherwise.

ARTICLE III.

The purposes for which the Association is formed are:

1. To promote the common good, health, safety and general welfare of all of the Owners;
2. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association arising from The Village at Boca Rio Declaration of Covenants, Restrictions and Easements (the "Declaration") as amended and supplemented from time to time and recorded in the Public Records of Palm Beach County, Florida (the definitions of which are incorporated herein by reference);
3. To have and to exercise any and all powers, rights and privileges, including delegation of powers as permitted by law, which a corporation organized under Chapter 617, Florida Statutes, may now or hereafter have or exercise.

The foregoing statement of purposes shall be construed as a statement both of purposes and of powers, and such purposes and powers in each clause shall not be limited or restricted by reference or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the Association shall not to a substantial degree engage in

B4695 P1413

any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE IV.

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject under the Declaration to assessment by the Association, including contract sellers, but excluding persons or entities holding title merely as security for performance of an obligation and excluding contract purchasers, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot which is subject to assessment by the Association. The membership shall also be divided into the classes set forth below.

The Association shall have two (2) classes of voting Members as follows:

Class A. Class A Members shall originally be all Owners with the exception of the Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot which is subject to assessment, as further provided in the Declaration or any Supplemental Declaration. The Declarant shall become a Class A Member with regard to Lots owned by the Developer upon termination of the Developer's Class B Membership as provided below.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to one (1) vote, plus two (2) votes for each vote which the Class A Members as a whole are entitled to cast from time to time (by way of illustration, if at any given point in time, there were 20 Class A Members, the Class B Members would be entitled to 41 votes); provided that the Class B Membership shall cease and be converted to Class A Membership upon the first to occur of any of the following events:

- (1) The arrival of December 31, 1989;
- (2) When two hundred twenty four (224) Dwelling Units have been constructed upon lands declared as the Properties and conveyed to purchasers; or
- (3) Thirty (30) days after the Declarant elects to terminate the Class B Membership;

whereupon the Class A Members shall assume control of the Association and elect the Board of Directors.

ARTICLE V.

The Association shall have perpetual existence.

ARTICLE VI.

The affairs of the Association shall be managed by a Board of Directors of not less than three (3) persons.

The names and addresses of the members of the first Board of Directors of the Association (which shall be three), who shall hold office until the first election thereafter are as follows:

<u>Name</u>	<u>Address</u>
Steve Spergel	11920 Southwest 7th Court. Davie, Florida 33325
Vicki West	11920 Southwest 7th Court Davie, Florida 33325
Armando Rodriguez	11920 Southwest 7th Court Davie, Florida 33325

Except for the first Board of Directors and unless otherwise provided in the By-Laws, Directors shall be elected by the members of the Association at the annual meeting of the membership as provided by the By-Laws of the Association, and the By-Laws may provide for the method of voting in the election and for the removal from office of Directors. Only members of the Association, or authorized representatives, officers or employees of corporate members of the Declarant (or its general partner) may be Directors.

Members elected to the Board of Directors shall hold office until the next succeeding annual meeting of members, and thereafter until qualified successors are duly elected and have taken office.

If a Director elected by the general membership shall for any reason cease to be a Director, the remaining Directors so elected may elect a successor to fill the vacancy for the balance of the unexpired term.

ARTICLE VII.

The Association shall have a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time elect. One person may hold more than one office, subject to the limitations set forth in the By-Laws.

The officers of the Association, in accordance with applicable provisions of the by-laws, shall be elected by the Board of Directors for a term, the duration of which shall be one year, to be extended until qualified successors are duly elected and have taken office.

The names and addresses of the first officers of the Association, who shall hold office until successors are duly elected and have taken office, shall be as follows:

84695 P1415

President: Steve Spergel 11920 Southwest 7th Court
 Davie, Florida 33325

Vice-President: Vicki West 11920 Southwest 7th Court
 Davie, Florida 33325

Secretary/
 Treasurer: Armando Rodriguez 11920 Southwest 7th Court
 Davie, Florida 33325

ARTICLE VIII.

The By-Laws of the Association may be made, altered, or rescinded at any annual meeting of the Association, or any special meeting duly called for such purpose, upon the vote of the Members as provided in the By-Laws, except that the initial By-Laws of the Association shall be made and adopted by the first Board of Directors.

ARTICLE IX.

Amendments to these Articles of Incorporation may be proposed by a member of the Board of Directors of the Association or Members of the Association holding thirty percent (30%) of the voting rights in the Class A Membership. These Articles may be amended at any annual meeting of the Association, or at any special meeting duly called and held for such purpose on the affirmative vote of two-thirds (2/3rds) of the Class A Members present in person or by proxy at a meeting at which a quorum is present, except that the Declarant shall have the right to veto any amendment while the Class B Membership exists.

ARTICLE X.

The names and addresses of the subscribers to these Articles of Incorporation are:

<u>Name</u>	<u>Address</u>
Steve Spergel	7101 Southwest 20th Street Plantation, Florida 33317
Vicki West	6190 Woodlands Boulevard Fort Lauderdale, Florida 33319
Armando Rodriguez	11040 Northwest 43rd Court Coral Springs, Florida 33065

ARTICLE XI.

The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal,

B4695 P1416

administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including attorney's fees and appellate attorney's fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) a court of competent jurisdiction determines after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association; and, with respect to any criminal action or proceeding, that he had no reasonable cause to believe his conduct was unlawful; and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to hereinabove or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees and appellate attorney's fees) actually and reasonably incurred by him in connection therewith.

Any indemnification under the first paragraph of this Article XI (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth hereinabove. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by a majority of the members of the Association.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount less it shall ultimately be determined

84695 P1417

that he is entitled to be indemnified by the Association as authorized in this Article XI.

The indemnification provided by this Article shall not be deemed exclusive of any other right to which those seeking indemnification may be entitled under any By-Law, agreement, vote of members or otherwise, both as to action in his official capacity while holding such office or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

ARTICLE XII.

The initial registered office of this corporation shall be at 11920 Southwest 7th Court, Davie, Florida 33325, with the privilege of having its office and branch offices at other places within or without the State of Florida.

The Resident Agent of the Association for purposes of accepting service of process shall be ARMANDO RODRIGUEZ, having offices at 11920 Southwest 7th Court, Davie, Florida 33325.

ARTICLE XIII.

Upon dissolution of the Association, all of its assets shall be conveyed to another non-profit corporation, unincorporated association or public agency.

IN WITNESS WHEREOF, the said subscribers have hereto set their hands this 29th day of June, 19 85.

Steve Spergel
STEVE SPERGEL

Vicki West
VICKI WEST

Armando Rodriguez
ARMANDO RODRIGUEZ

84695 P1418

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

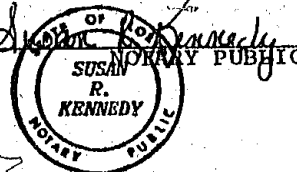
Steve Spergel
STEVE SPERGEL Resident Agent

STATE OF FLORIDA)
)SS:
COUNTY OF BROWARD)

I HEREBY CERTIFY that on this day before me, the undersigned authority, personally appeared STEVE SPERGEL, VICKI WEST and ARMANDO RODRIGUEZ to me known to be the subscribers to the Articles of Incorporation, and they acknowledged before me that they executed the same for the purposes therein expressed.

WITNESS my hand and official seal at said County and State this 29th day of June, 19 85.

My Commission Expires:



MY COMMISSION EXP. JULY 20, 1988

Certified Copy

BML/alc/0401A
D-0005A - 09/28/84

B4695 P1419

EXHIBIT "G" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

This is not a certified copy

BY-LAWS FOR THE VILLAGE AT
BOCA RIO HOMEOWNERS' ASSOCIATION, INC.

B4695 P1420

BY-LAWS

OF

THE VILLAGE AT BOCA RIO HOMEOWNERS ASSOCIATION, INC.

ARTICLE I.
DEFINITIONS

For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration of Covenants, Restrictions and Easements for The Village at Boca Rio (the "Declaration of Covenants") as it may be amended or supplemented from time to time unless herein provided to the contrary, or unless the context otherwise requires.

ARTICLE II.
LOCATION, PURPOSE AND POWERS

Section 1. The principal office of The Village at Boca Rio Homeowners' Association, Inc., (the "Association") shall initially be located at: 151 Northwest 18th Avenue, Delray Beach, Florida 33444, or subsequently, at such other address as may from time to time be designated by the Board of Directors.

Section 2. The purpose for which the Association is organized is to be a homeowners' association within the meaning of the Declaration of Covenants and to manage the property and affairs of the Common Properties as specified in the Declaration Covenants (and otherwise discharge its duties thereunder), and to exercise all powers granted to it as a not-for-profit corporation under the laws of Florida, these By-Laws, the Articles of Incorporation and the Declaration of Covenants; and to acquire, hold convey and otherwise deal in and with real and personal property in its capacity as a homeowners' association.

Section 3. The Association shall have all power granted to it by law, the Declaration of Covenants, and as set forth in Article II of the Articles of Incorporation.

Section 4. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Common Properties and the discharge of its other responsibilities under the Declaration of Covenants and may take all actions, through the proper offices of the Association in executing such powers, except such acts which by law, the

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Declaration of Covenants or these By-Laws may not be delegated to the Board of Directors by Owners. Such powers and duties of the Board of Directors shall include without limitation (except as limited elsewhere herein) the following:

(a) Operating, repairing, maintaining and otherwise managing the Common Properties.

(b) Determining the expenses required for the operation of the Common Properties and the Association.

(c) Collecting the Assessments, Special Assessments, Reconstruction Assessments, Capital Improvements Assessments and fees from Owners as specified in the Declaration of Covenants.

(d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Properties.

(e) Adopting and amending rules and regulations concerning the details of the operation and use of the Properties, as provided herein and subject to rights of usage granted in the Declaration of Covenants.

(f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Purchasing, leasing or otherwise acquiring Lots or other property in the name of the Association or its designee.

(h) Purchasing Lots or other property at foreclosure or other judicial sales, in the name of the Association or its designee.

(i) Selling, leasing, mortgaging, or otherwise dealing with Lots or other property acquired by and subleasing Dwelling Units leased by the Association or its designee.

(j) Organizing corporations to act as designees of the Association in acquiring title to or leasing Lots or other property.

(k) Obtaining and reviewing insurance for the Properties as required by the Declaration of Covenants, for the Association, and for the Board of Directors.

(l) Making repairs, additions, restorations and improvements to or alterations of the portions of the Properties as required or necessary to the discharge of its duties in accordance with the provisions of the Declaration of Covenants or after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(m) Enforcing obligations of the Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Common Properties and its functions as specified in the Declaration of Covenants.

(n) Levying fines or taking other actions against the Owners for violations of the Declaration of Covenants or violations of the rules and regulations established by the Association to govern the conduct of the Owners their guests or invitees.

(o) Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Properties or the acquisition of property, and granting mortgages and/or security interests on Association property.

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(p) Contracting (if the Board in its sole discretion so desires) for the management of the Common Properties and Improvements and delegating to such contractor such powers and duties of the Board of Directors as the Board may deem appropriate under the circumstances, except those which may be required by the Declaration of Covenants and these By-Laws to be approved by the Board of Directors and members of the Association; contracting for the management or operation of portions of the Common Properties susceptible to separate management or operation; and granting concessions for the purpose of providing services to the Owners. In exercising this power, the Association may contract with affiliates of itself and the Declarant.

(q) At its discretion, authorizing Owners or other persons to use portions of the Common Properties for private parties and gatherings and imposing reasonable charges for such private use.

(r) Allowing use of the Common Properties by Declarant or Declarant's Permittees in accordance with the terms and provisions of the Declaration of Covenants.

(s) Exercising (i) all powers specifically set forth in the Declaration of Covenants, the Articles of the Association and these By-Laws, (ii) all powers incidental thereto, and (iii) all other powers of a Florida corporation not-for-profit.

(t) Suspending the right of any Owner to vote or use the recreation facilities of the Common Properties so long as said Unit Owner is delinquent in the payment of Assessments or otherwise in violation of the Declaration of Covenants or any exhibits thereto or applicable rules and regulations.

ARTICLE IV MEMBERSHIP

Section 1. Membership of the Association is as set forth in Article IV of the Articles of Incorporation of the Association.

Section 2. Members are subject to the payment of Assessments or fees levied by the Association in accordance with the terms and provisions of the Declaration of Covenants and, without limiting the generality of the foregoing, Article IX thereof.

Section 3. The Association shall have two (2) classes of voting Members as provided in Article VII of the Declaration of Covenants, which provisions are as follows:

CLASS A. Class A Members shall originally be all Owners with the exception of Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot which is subject to assessment, as further provided in the Declaration of Covenants. Declarant shall become a Class A Member with

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regard to Lots owned by it upon termination of Declarant's Class B Membership as provided below.

CLASS B. The Class B Member shall be Declarant. The Class B Member shall be entitled to one (1) vote plus two (2) votes for each vote which Class A Members are entitled to cast from time to time, provided that the Class B Membership shall cease and be converted to Class A Membership upon the first to occur of either of the following events:

- (1) The arrival of December 31, 1989; or
- (2) At least two hundred twenty four (224) Dwelling Units upon lands declared as the Properties have been closed upon and conveyed to purchasers thereof; or
- (3) Thirty (30) days after Declarant elects to terminate Class B Membership.

Section 4. Unless otherwise expressly provided in these By-Laws or the Declaration of Covenants, any action which may be taken by the Association may be taken by a majority of a quorum of the Members of the Association.

Section 5. Except as otherwise provided in these By-Laws, the Articles of Incorporation, or the Declaration of Covenants, the presence in person or by proxy of at least fifty-one (51%) percent of the Members of the Association entitled to vote shall constitute a quorum of the Membership. Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. In the event, however, that the required quorum is not present, another meeting may be called subject to the same notice requirement, although the required quorum at the subsequent meeting shall remain fifty-one (51%) percent of the total Members of the Association entitled to vote.

Section 6. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary at least twenty-four (24) hours before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease after completion of the meeting for which the proxy was filed and upon conveyance by the Member of the fee simple title of his Unit.

Section 7. Vote distribution shall be in accordance with Section 2 of Article VII of the Declaration of Covenants.

ARTICLE IV.
BOARD OF DIRECTORS

Section 1. There shall be a minimum of three (3) directors of the Association who shall be elected annually at the annual meeting of the

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Members but, from time to time, without amendment hereof, the number of directors may be increased by a vote of the members of the Association as hereinafter provided.

Section 2. Election of the directors shall be conducted in the following manner:

(a) Election of directors shall be held at the annual members' meeting except as provided herein to the contrary.

(b) Nominations for directors and additional directorships created at the meeting may be made from the floor.

(c) The election shall be by written ballot (unless dispensed with by a majority consent of the Units represented at the meeting) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(d) Except as to vacancies resulting from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors provided that all vacancies in directorships to which Directors were appointed by the Declarant pursuant to the provisions of subdivision (f) hereof shall be filled by the Declarant without the necessity of any meeting.

(e) Subject to the rights of Declarant set forth in Section 13 hereof, any director may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all Owners. A special meeting of the Owners to recall a director or directors may, subject to the rights of Declarant set forth in Section 2(f) and 13 hereof, be called by ten (10%) percent of the Owners giving notice of the meeting as required for a meeting of Owners and the notice shall state the purpose of the meeting. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting unless such director was appointed by the Declarant, in which case the Declarant shall appoint another director without the necessity of any meeting.

(f) Provided, however, that until a majority of the Directors are elected by the members other than the Declarant, neither the first Directors of the Association nor any Directors replacing them, nor any Directors named by the Declarant, shall be subject to removal by members other than the Declarant. The first Directors and Directors replacing them may be removed and replaced by the Declarant without the necessity of any meeting.

Section 3. The first meeting of the duly elected Board of Directors, for the purpose of organization shall be held promptly after the recordation of the Declaration of Covenants, provided the majority of the members of the Board elected are present. Any action taken at such meeting shall be by a majority of the Board members present. If the majority of the members of the Board elected shall fail to elect

officers, the meeting of the Board to elect officers shall then be held within thirty (30) days thereafter upon three (3) days' notice in writing to each member of the Board elected stating the time, place and object of such meeting.

Section 4. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, or telegraph, and shall be transmitted at least three (3) days prior to the meeting. Regular meetings of the Board of Directors shall be open to all Owners and notice of such meetings shall be posted conspicuously on the Common Properties at least forty-eight (48) hours in advance for the attention of the members of the Association, except in the event of an emergency, provided however that the Owners shall not be permitted to participate and need not be recognized at any such meeting.

Section 5. Special meetings of the Board of Directors may be called at any time by the President or by any two (2) members of the Board and may be held any place or places within Palm Beach or Broward County, Florida; and at any time. Notice of Special Meetings shall be given to Owners in the manner required for regular meetings, provided that Owners shall not be permitted to participate and need not be recognized at any such meeting.

Section 6. Notice of each special meeting of the Board of Directors, stating the time, place and purpose 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 not less than three (3) days by mail or one (1) day by telephone or telegraph prior to the meeting. Special meetings of the Board may also be held at any place and time without notice to directors by unanimous waiver of notice by all the directors.

Section 7. Any director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any director at a meeting shall constitute a 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.

Section 8. A quorum at a directors' meeting shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a

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greater number of directors is specifically required by the Declaration of Covenants, the Articles or these By-Laws.

Section 9. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 10. The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of that director except for the purpose of constituting a quorum.

Section 11. The presiding officer of the directors' meetings shall be the Chairman of the Board, or his designees, if such an officer has been elected; and if none, the President shall preside (or may designate any other person to preside). In the absence of the presiding officer, the directors present may designate any person to preside.

Section 12. A director may receive compensation for any service rendered to the Association should the Board of Directors approve or designate the same, the vote of the director seeking such compensation not being counted.

Section 13.

(a) Notwithstanding anything to the contrary contained in this Article IV or otherwise, the Declarant shall have the right to appoint or direct that there be elected specific directors of the Association until such time as Class B Membership terminates in accordance with Section 1 of Article VII of the Declaration of Covenants.

(b) Within sixty (60) days after Unit Owners other than the Declarant or a successor are entitled to elect or appoint a member or members of the Board of Directors, the Association shall call and give not less than thirty (30) days nor more than forty (40) days notice of, a meeting of the Owners for this purpose. The meeting may be called and the notice may be given by any Owner if the Association fails to do so.

(c) The Declarant may waive or relinquish in whole or in part any of its rights to appoint or elect one or more of the Directors it is entitled to appoint or elect.

(d) This Article IV, Section 13 shall not be modified or amended without the consent of the Declarant so long as the Declarant shall in accordance with the terms of these By-Laws have the right to appoint or cause to be elected any Directors.

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ARTICLE V.
OFFICERS

Section 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.

Section 2. The President shall be the chief executive officer of the Association. The President shall preside (or designate a Chairman to 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 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, the Vice-President shall perform the duties and exercise the powers of the President. The Secretary shall issue notice 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.

Section 3. 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.

Section 4. One person may hold more than one office.

ARTICLE VI.
RESIGNATION, VACANCY, REMOVAL

Section 1. Any director or officer of the corporation may resign at any time, by instrument in writing. Resignation shall take effect at the time specified therein and if no time is specified, at the time of receipt by the President or Secretary of the corporation. The acceptance of a resignation shall not be necessary to make it effective.

Section 2. When a vacancy occurs on the Board, the vacancy shall be filled by the remaining members of the Board at their next meeting by electing a person who shall serve until the next annual meeting of members at which time a director will be elected to complete the remaining portion of the unexpired term.

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Section 3. When a vacancy occurs in an office for any cause before an officer's term has expired, the office shall be filled by the Board at its next meeting by electing a person to serve for the unexpired term or until a successor has been elected by the Association.

Section 4. A majority of the members of the Association present at any regular meeting or special meeting at which a quorum is present and duly called at least in part for the purpose of removing a director or officer may remove any such director or officer for cause affecting his ability or fitness to perform his duties.

Section 5. Officers and directors of the Association shall be indemnified to the full extent provided by Florida law and in Article XI of the Articles of Incorporation.

ARTICLE VII.
MEETINGS OF MEMBERS

Section 1. The regular annual meeting of the Members shall be held within one year from the date on which the Declaration of Covenants is recorded, at such time, date and place as shall be determined by the Board of Directors, but no later than thirteen (13) months from the date of the previous annual meeting.

Section 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 or more Members of the Board of Directors, or upon written requests of the Members who have a right to vote one-fourth of all votes of the entire Membership including Class "B" Member votes (while such voting class shall exist).

Section 3. Notices concerning meetings held in accordance with the above shall be given to the Members by sending a copy of the notice by mail, postage thereon fully paid, to the addresses appearing on the records of the Association. The post office certificate should be retained as proof of such mailing; however, an affidavit of the party who prepares and posts such notices shall constitute conclusive proof of such mailing. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice shall be posted in a conspicuous place on the Common Properties at least fourteen (14) days in advance of the meeting and shall set forth the general nature of the business to be transacted provided, however, that if any business of any meeting shall involve any action governed by the Articles of Incorporation or Declaration of Covenants, notice shall be given or sent as therein provided. Recitation in the minutes of a meeting that the meeting was held pursuant to notice properly given shall be evidence that such notice was given.

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Section 4. The presence in person or by proxy at the meeting of Members entitled to cast thirty-three and one-third (33-1/3%) percent of the votes shall constitute a quorum for any action governed by these By-Laws.

Section 5. Any Member may give to a specified Board of Director or to any other Member a proxy to vote on behalf of the absent Member at any meeting. Such proxy shall be in writing, shall be signed by the absent Member and filed with the Association prior to or at the meeting. The proxy shall be effective only for the specific meeting for which it is originally given. It will be revocable at the pleasure of the Owners executing it if revoked by a duly delivered written notice thereof.

Section 6. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Owners for all purposes except where otherwise provided by law, the Declaration of Covenants, the Articles of Incorporation or these By-Laws. As used in these By-Laws, the terms "majority of the Unit Owners" and "majority of the members" shall mean those Owners having more than fifty (50%) percent of the then total authorized votes present in person or by proxy and voting at any meeting of the Owners and at which a quorum shall have been attained.

ARTICLE VIII.

BOOKS AND RECORDS; DEPOSITORIES; FISCAL YEAR

Section 1. The books, records and papers of the Association shall be subject to the inspection of any Member of the Association during normal business hours provided such Member has submitted a prior written request therefor and set forth therein the basis for such request.

Section 2. The funds of the Association shall be deposited in a bank or banks or in a state or federal savings and loan association in Palm Beach or Broward County, Florida. Such deposits shall be to an account of the Association under resolutions approved by the Board of Directors and the funds deposited shall be withdrawn only over the signature of the Treasurer and countersigned by the President or Vice President. Said funds shall be used only for corporate purposes.

Section 3. The Association shall maintain accounting records according to generally accepted accounting principles. Such records shall include an account of receipts and expenditures; an account for each Owner which shall designate the name and address of the Owner, the amount of each Assessment and fee, the due dates and amount of each Assessment and fee, the amounts paid upon the account and the balance due; and a register for the names of any mortgage holders or lien holders who have notified the Association of their liens, and to which lien holders the Association

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will give notice of default upon request by such lien holders. The Association shall furnish a reasonable written summary of the foregoing to each Owner at least annually. The Board of Directors shall present at each annual meeting of the Association members a full and clear statement of the business and condition of the Association.

ARTICLE IX.

ADMINISTRATIVE RULES AND REGULATIONS

The Board of Directors may from time to time adopt rules and regulations governing the details of the operation of and as are designed to prevent unreasonable interference with the use of the Properties by the Members in accordance with the Declaration of Covenants.

ARTICLE X.

VIOLATIONS AND DEFAULTS

In the event of a violation (other than non-payment of an Assessment or fee by a Owner) of any of the provisions of the Declaration of Covenants, these By-Laws, the Rules and Regulations of the Association or the Articles of Incorporation of the Association, the Association, after reasonable notice to cure not to exceed fifteen (15) days, shall have all rights and remedies provided by law and in the Declaration of Covenants including without limitation (and such remedies shall or may be cumulative) the right to sue for damages, the right to injunctive relief and, in the event of a failure to pay Assessments or fees, the right to foreclose its lien provided in the Declaration of Covenants. In every such proceeding the Owner at fault shall be liable for court costs and the Association's reasonable attorney's fees. If the Association elects to enforce its lien by foreclosure, the Owner shall be required to pay a reasonable rent for his Lot together with Dwelling Unit thereon during the litigation and the Association shall be entitled to the appointment of a receiver to collect such rent. A suit to collect unpaid Assessments or fees may be prosecuted by the Association without waiving the lien securing such unpaid Assessments or fees.

ARTICLE XI.

OBLIGATIONS OF OWNERS

Section 1.

(a) All Owners are obligated to pay, in accordance with the provisions of the Declaration of Covenants, all Assessments imposed by the Association to meet all expenses of the Association, which may include, without limitation, liability insurance policy premiums and insurance premiums for policies to cover repair and reconstruction work in case of hurricane, fire, flood or other hazard, as more fully provided in the Declaration of Covenants.

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(b) All delinquent Assessments shall be enforced, collected or foreclosed in the manner provided in the Declaration of Covenants, including, without limitation, Article IX thereof.

Section 2. All plans for alterations and repair of Improvements to he Properties must receive the prior written consent of the Architectural Committee in accordance with the provisions of Article X of the Declaration of Covenants.

ARTICLE XII.
AMENDMENT OF BY-LAWS

Except where the Declaration of Covenants or the Articles of Incorporation provide otherwise, these By-Laws may be amended in the following manner:

(a) Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.

(b) A resolution for the adoption of a proposed amendment may be proposed by a majority of the Board of Directors or by not less than one-third (1/3rd) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary prior to the commencement of the meeting.

The approval must be:

(1) by not less than two-thirds (2/3rds) of the total votes of the members of the Association, except that the Declarant shall have the right to veto amendments while the Class "B" Membership exists; or

(2) by not less than one hundred (100%) percent of the entire Board of Directors.

(c) No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant or mortgagees of Units without the consent of the Declarant and said mortgages in each instance. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Covenants.

(d) A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the By-Laws which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed or by the Declarant alone if the amendment has been adopted consistent with the provisions of the Declaration of Covenants allowing such action by the Declarant. The amendment shall be effective when stated therein.

ARTICLE XIII.
FISCAL MANAGEMENT

The Board of Directors shall from time to time, and in accordance with its rights and duties under Article IX of the Declaration of Covenants, prepare a budget for the Association (which shall detail all accounts and items of expenses), determine the amount of Assessments payable by the Owners to meet the expenses of the Association, and allocate and assess such expenses among the Owners in accordance with the provisions of the Declaration of Covenants. The adoption of a budget for the Association shall comply with the terms and provisions of Section 7 of Article IX of the Declaration of Covenants.

ARTICLE XIV.
MORTGAGEES

Section 1. An Owner who mortgages his Lot shall notify the Association by notice to the Secretary of the Board of Directors of the name and address of his Mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Lots". Any such Owner shall likewise notify the Association as to the release or discharge of any such Mortgage.

Section 2. The Board of Directors of the Association shall, at the request of a Mortgagee of a Lot, report any unpaid assessments due from the Owner of such Lot in accordance with the provisions of the Declaration of Covenants.

Section 3. The Board of Directors of the Association shall fully protect, enforce and comply with the rights of institutional first mortgagees as more particularly set forth in Article XVII of the Declaration of Covenants.

ARTICLE XV
MEANING OF TERMS

All terms appearing herein which are defined in the Declaration of Covenants shall have the same meanings as are applied to such terms in the Declaration of Covenants.

ARTICLE XVI.
CONFLICTING PROVISIONS

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

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

ARTICLE XVII.
MISCELLANEOUS

Section 1. The Board of Directors may authorize any officer or officers agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent, committee member, or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

Section 2. The Association shall keep in its office for the transaction of business the original or a copy of these By-Laws as amended or otherwise altered to date certified by the Secretary, which shall be open to inspection by the Owners and all First Mortgagees at all reasonable times during office hours.

Section 3. The fiscal year of the Association shall be determined by the Board of Directors and having been so determined, shall be subject to change from time to time as the Board of Directors shall determine in accordance with the Declaration of Covenants.

Section 4. The Association shall keep and maintain in its office for the transaction of business a book containing the name and address of each Member. Termination or transfer of ownership of any Lot by an Owner shall be recorded in the book, together with the date on which such ownership was transferred in accordance with the provisions of the Declaration of Covenants.

The foregoing were adopted as the By-Laws of THE VILLAGE AT BOCA RIO HOMEOWNERS' ASSOCIATION, INC., a corporation not-for-profit, under the laws of the State of Florida this 29th day of June, 1985.

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President

Rodriguez Secy

Secretary

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09/28/84 - D-0005A

EXHIBIT "H" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

This is not a certified copy

RULES AND REGULATIONS FOR THE
VILLAGE AT BOCA RIO HOMEOWNERS' ASSOCIATION, INC.

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THE VILLAGE AT BOCA RIO

RULES AND REGULATIONS

Your homeowners' association wishes to maintain luxurious, but economically well-managed common properties and to efficiently discharge its duties under the Declaration of Covenants for THE VILLAGE AT BOCA RIO. It is believed that these rules will aid this purpose. Your board of directors will welcome the assistance of all the Villa and Townhome owners in the enforcement of these regulations. Certain of the below terms or words are defined in the Declaration of Covenants and such definitions are intended to apply to these Rules and Regulations.

1. ENFORCEMENT OF REGULATIONS. These rules and regulations will be enforced as follows:

A. Violations should be reported to the manager at The Village at Boca Rio Homeowners' Association, Inc., in writing, not to the Board of Directors or to officers of the association.

B. Violations will be called to the attention of the violating owner by the manager, who will also notify the board of directors or person(s) designated by it to enforce these rules and regulations.

C. Disagreements concerning violations will be presented to, and be judged by, the Board of Directors, which will take appropriate action.

D. Owners are responsible for compliance by their guests and lessees with these rules and regulations.

2. RECREATIONAL FACILITIES. The recreational facilities and other portions of the common properties are for the exclusive use of association members and their immediate families, tenants, resident house guests, and guests. Rules and regulations governing the use of amenities contemplated for the Recreation Lands (including the pool and pool deck, racquetball court building, barbeque facilities and basketball court) shall be posted upon or immediately adjacent to such facilities if and when the same are completed. Such rules and regulations are subject to change from time to time in the sole discretion of the Board. To insure the safety, comfort and enjoyment of such facilities, adherence with such rules and regulations is mandatory for members and, to the extent they are permitted to use the facilities, their guests.

3. THE LAKE. The lake or portion thereof located upon the Properties is subject to the following rules and regulations regarding its usage: motor powered crafts, whether powered by electricity or other fuel, are absolutely prohibited including, but not limited to, motor

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boats and jet skies. Sail powered crafts may be used upon the lake subject to the receipt by the owner thereof of the prior written approval of the Board of Directors. Any such sail powered craft may only be launched, moored, stored or otherwise tied up at the docks or such other places as the Board of Directors may from time to time designate. Neither members, their children, nor their guests shall swim in the lake.

4. NOISE. The Declaration of Covenants imposes upon the Board of Directors the duty of ensuring that nuisances, by reason of noise or otherwise, do not take place upon the Properties.

A. In order to insure your own comfort and that of your neighbors, radio hi-fi or stereo systems, and television sets should be turned down to a minimum volume between the hours of 10:30 p.m. and 8:00 a.m. All other noises such as bidding good night to departing guests and the slamming of car doors and the like between these hours should be kept to a minimum. Your neighbors will appreciate this.

B. Carpentry, carpet-laying, picture-hanging, or any trade (or do-it-yourself work) involving hammer work, etc.), must be done between the hours of 8:00 a.m. and 6:00 p.m.

5. PETS.

A. Certain restrictions upon pets are set forth in the Declaration of Covenants and members, their guests and invitees are expected to comply with such restrictions at all times.

B. No pets shall be allowed to commit a nuisance in or on any portion of the Properties.

C. The term "pets" shall be limited to dogs, cats and birds.

D. No animals are permitted in or upon the recreational facilities located upon Recreational Lands.

6. OBSTRUCTIONS. Sidewalks, entrances, driveways, corridors and passageways upon the Common Properties must be kept open and shall not be obstructed in any manner.

7. CHILDREN. Children shall play in designated areas only.

8. DESTRUCTION OF PROPERTY. Neither members, their dependents, nor guests, shall mark, mar, damage, destroy, deface, or engrave any Improvements constructed upon the Properties. Members shall be financially responsible for any such damage.

9. CLEANLINESS. The Common Properties shall be kept clean and free from all litter and trash. Members shall not allow anything to be thrown, or to fall, from windows, doors, fences or trellaces upon the Common Properties. No sweeping, or other substances, shall be permitted to escape to the Common Properties from the dwelling units.

10. RESPONSIBILITY FOR DELIVERIES. Members shall be liable for all damages to the Improvements upon the Properties caused by receiving deliveries, or moving or removing furniture or other articles to or from the buildings in which the Townhomes and Villas are located.

11. TRASH. All refuse, waste, boxes, crates, papers and garbage shall be securely contained in plastic bags and stored in garbage canisters which have self-locking lids. Garbage canisters shall not be placed upon or in plain view of persons upon the Common Properties except immediately prior to such pick up dates as shall from time to time be established.

12. ROOF. Members are not permitted on the roofs of buildings in which their dwelling units are located for any purpose.

13. SOLICITATION. There shall be no solicitation by any person for any cause, charity, or any purpose whatever, unless specifically authorized by the board of directors.

14. HURRICANE PREPARATIONS. Each member who plans to be absent from his Townhome or Villa during the hurricane season must prepare his dwelling unit prior to departure by:

A. Removing all furniture, plants and other personality from his courtyard, balcony or patio area.

B. Designating a responsible firm or individual to care for his Townhome or Villa during his absence in the event that the dwelling unit should suffer hurricane damage. Each member shall furnish the secretary of the association with the name of such firm or individual.

15. SIGNS. No signs of any kind (other than a notice to be placed on the bulletin board after notification to the office of the association) may be installed on the Properties.

16. ODORS. No noxious or unusual odors shall be generated in such quantities that they permeate to other Townhomes or Villas or the Common Properties units and become an annoyance or become obnoxious to another owner. Normal cooking odors, normally and reasonably generated from kitchens, or patios shall not be deemed violation of this regulation.

17. BOATS. No boats, boat trailers or recreational vehicles shall be permitted upon the Common Properties without the prior written consent of the board of directors.

18. ATTIRE. Owners, their families and guests shall not appear in or use the Common Properties or recreational facilities thereon, except in appropriate attire.

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19. COMPLIANCE BY DEVELOPER. Owners and occupants shall comply with the foregoing rules and regulations, and any and all rules and regulations which may, from time to time, be adopted by the Board of Directors. Failure of an owner or occupant to comply with the foregoing shall subject same to legal remedies including, but not limited to, suits for money damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights and use of the Common Properties and improvements thereon in the event of failure to so comply.

20. COMPLIANCE BY DEVELOPER. Notwithstanding anything herein to the contrary, the foregoing rules and regulations shall not be applicable to the Developer, its agents, employees and contractors, or to Townhomes or Villas owned by the Developer.

21. RELIEF. The Board of Directors shall have the power, but not the obligation, to grant relief to one or more owners under the particular circumstances involved from the provisions of specific restrictions contained in the rules and regulations upon written request therefrom and for good cause shown in the sole opinion of the Board.

THE VILLAGE AT BOCA RIO HOMEOWNERS' ASSOCIATION INC.

By: [Signature] President

Attest: [Signature] Secretary

BML/alc/0403A
09/28/84 - D-0005A

B4695 P1439

EXHIBIT "I" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

PERCENTAGE SHARE OF ASSESSMENTS - PHASE I

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84695 P1440

EXHIBIT "I"

PERCENTAGE SHARE OF ASSESSMENTS

The Properties - Phases 1 Only
88 Lots

<u>Lot Number</u>	<u>Percentage Share</u>	<u>Lot Number</u>	<u>Percentage Share</u>	<u>Lot Number</u>	<u>Percentage Share</u>
25	1.11295%	54	1.11295%	83	1.11295%
26	1.11295%	55	1.11295%	84	1.11295%
27	1.11295%	56	1.11295%	85	1.11295%
28	1.11295%	57	.99658%	86	1.11295%
29	1.11295%	58	1.40102%	87	1.11295%
30	1.11295%	59	1.40102%	88	1.11295%
31	1.11295%	60	.99658%	89	1.11295%
32	1.11295%	61	1.11295%	90	1.11295%
33	1.11295%	62	1.11295%	91	1.11295%
34	1.11295%	63	1.11295%	92	1.11295%
35	1.11295%	64	1.11295%	93	1.11295%
36	1.11295%	65	.99658%	94	1.11295%
37	.99658%	66	1.40102%	95	1.11295%
38	1.40102%	67	1.40102%	96	1.11295%
39	1.40102%	68	.99658%	97	.99658%
40	.99658%	69	1.11295%	98	1.40102%
41	1.11295%	70	1.11295%	99	1.40102%
42	1.11295%	71	1.11295%	100	.99658%
43	1.11295%	72	1.11295%	101	1.11295%
44	1.11295%	73	.99658%	102	1.11295%
45	1.11295%	74	1.40102%	103	1.11295%
46	1.11295%	75	1.40102%	104	1.11295%
47	1.11295%	76	.99658%	105	1.11295%
48	1.11295%	77	1.11295%	106	1.11295%
49	1.11295%	78	1.11295%	107	1.11295%
50	1.11295%	79	1.11295%	108	1.11295%
51	1.11295%	80	1.11295%	109	.99658%
52	1.11295%	81	1.11295%	110	1.40102%
53	1.11295%	82	1.11295%	111	1.40102%
				112	.99658%

TOTAL 100%

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EXHIBIT "J" TO
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
THE VILLAGE AT BOCA RIO

PERCENTAGE SHARE OF ASSESSMENTS -
UPON INCLUSION OF ADDITIONAL PHASES

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B4695 P1442

EXHIBIT "J"

PERCENTAGE SHARE OF ASSESSMENTS

The Properties - Phases I and II Only
148 Lots

Lot Number	Percentage Share*	Lot Number	Percentage Share*	Lot Number	Percentage Share*
1	.6645932%	50	.6645932%	99	.8366058%
2	.6645932%	51	.6645932%	100	.5950935%
3	.6645932%	52	.6645932%	101	.6645932%
4	.6645932%	53	.6645932%	102	.6645932%
5	.5950935%	54	.6645932%	103	.6645932%
6	.8366058%	55	.6645932%	104	.6645932%
7	.8366058%	56	.6645932%	105	.6645932%
8	.5950935%	57	.5950935%	106	.6645932%
9	.6645932%	58	.8366058%	107	.6645932%
10	.6645932%	59	.8366058%	108	.6645932%
11	.6645932%	60	.5950935%	109	.5950935%
12	.6645932%	61	.6645932%	110	.8366058%
13	.6645932%	62	.6645932%	111	.8366058%
14	.6645932%	63	.6645932%	112	.5950935%
15	.6645932%	64	.6645932%	113	.6645932%
16	.6645932%	65	.5950935%	114	.6645932%
17	.5950935%	66	.8366058%	115	.6645932%
18	.8366058%	67	.8366058%	116	.6645932%
19	.8366058%	68	.5950935%	117	.6645932%
20	.5950935%	69	.6645932%	118	.6645932%
21	.6645932%	70	.6645932%	119	.6645932%
22	.6645932%	71	.6645932%	120	.6645932%
23	.6645932%	72	.6645932%	121	.6645932%
24	.6645932%	73	.5950935%	122	.6645932%
25	.6645932%	74	.8366058%	123	.6645932%
26	.6645932%	75	.8366058%	124	.6645932%
27	.6645932%	76	.5950935%	125	.6645932%
28	.6645932%	77	.6645932%	126	.6645932%
29	.6645932%	78	.6645932%	127	.6645932%
30	.6645932%	79	.6645932%	128	.6645932%
31	.6645932%	80	.6645932%	129	.6645932%
32	.6645932%	81	.6645932%	130	.6645932%
33	.6645932%	82	.6645932%	131	.6645932%
34	.6645932%	83	.6645932%	132	.6645932%
35	.6645932%	84	.6645932%	133	.6645932%
36	.6645932%	85	.6645932%	134	.6645932%
37	.5950935%	86	.6645932%	135	.6645932%
38	.8366058%	87	.6645932%	136	.6645932%
39	.8366058%	88	.6645932%	137	.6645932%
40	.5950935%	89	.6645932%	138	.6645932%
41	.6645932%	90	.6645932%	139	.6645932%
42	.6645932%	91	.6645932%	140	.6645932%
43	.6645932%	92	.6645932%	141	.6645932%
44	.6645932%	93	.6645932%	142	.6645932%
45	.6645932%	94	.6645932%	143	.6645932%
46	.6645932%	95	.6645932%	144	.6645932%
47	.6645932%	96	.6645932%	145	.6645932%
48	.6645932%	97	.5950935%	146	.6645932%
49	.6645932%	98	.8366058%	147	.6645932%
				148	.6645932%

TOTAL 100%

* Percentages are only applicable in the event that 148 Lots have been declared of record upon the Properties pursuant to The Village at Boca Rio Declaration of Covenants, Restrictions and Easements, as Supplemented.

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PERCENTAGE SHARE OF ASSESSMENTS

The Properties - Phases I, II and III Only
224 Lots

Lot Number	Percentage Share*	Lot Number	Percentage Share*	Lot Number	Percentage Share*
1	.4385764%	55	.4385764%	109	.3927121%
2	.4385764%	56	.4385764%	110	.5520902%
3	.4385764%	57	.3927121%	111	.5520902%
4	.4385764%	58	.5520902%	112	.3927121%
5	.3927120%	59	.5520902%	113	.4385764%
6	.5520902%	60	.3927121%	114	.4385764%
7	.5520902%	61	.4385764%	115	.4385764%
8	.3927120%	62	.4385764%	116	.4385764%
9	.4385764%	63	.4385764%	117	.4385764%
10	.4385764%	64	.4385764%	118	.4385764%
11	.4385764%	65	.3927121%	119	.4385764%
12	.4385764%	66	.5520902%	120	.4385764%
13	.4385764%	67	.5520902%	121	.4385764%
14	.4385764%	68	.3927121%	122	.4385764%
15	.4385764%	69	.4385764%	123	.4385764%
16	.4385764%	70	.4385764%	124	.4385764%
17	.3927120%	71	.4385764%	125	.4385764%
18	.5520902%	72	.4385764%	126	.4385764%
19	.5520902%	73	.3927121%	127	.4385764%
20	.3927120%	74	.5520902%	128	.4385764%
21	.4385764%	75	.5520902%	129	.4385764%
22	.4385764%	76	.3927121%	130	.4385764%
23	.4385764%	77	.4385764%	131	.4385764%
24	.4385764%	78	.4385764%	132	.4385764%
25	.4385764%	79	.4385764%	133	.4385764%
26	.4385764%	80	.4385764%	134	.4385764%
27	.4385764%	81	.4385764%	135	.4385764%
28	.4385764%	82	.4385764%	136	.4385764%
29	.4385764%	83	.4385764%	137	.4385764%
30	.4385764%	84	.4385764%	138	.4385764%
31	.4385764%	85	.4385764%	139	.4385764%
32	.4385764%	86	.4385764%	140	.4385764%
33	.4385764%	87	.4385764%	141	.4385764%
34	.4385764%	88	.4385764%	142	.4385764%
35	.4385764%	89	.4385764%	143	.4385764%
36	.4385764%	90	.4385764%	144	.4385764%
37	.3927120%	91	.4385764%	145	.4385764%
38	.5520902%	92	.4385764%	146	.4385764%
39	.5520902%	93	.4385764%	147	.4385764%
40	.3927120%	94	.4385764%	148	.4385764%
41	.4385764%	95	.4385764%	149	.3927121%
42	.4385764%	96	.4385764%	150	.5520902%
43	.4385764%	97	.3927121%	151	.5520902%
44	.4385764%	98	.5520902%	152	.3927121%
45	.4385764%	99	.5520902%	153	.4385764%
46	.4385764%	100	.3927121%	154	.4385764%
47	.4385764%	101	.4385764%	155	.4385764%
48	.4385764%	102	.4385764%	156	.4385764%
49	.4385764%	103	.4385764%	157	.4385764%
50	.4385764%	104	.4385764%	158	.4385764%
51	.4385764%	105	.4385764%	159	.4385764%
52	.4385764%	106	.4385764%	160	.4385764%
53	.4385764%	107	.4385764%	161	.4385764%
54	.4385764%	108	.4385764%	162	.4385764%

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PERCENTAGE SHARE OF ASSESSMENTS
 The Properties, Phases I, II and III
 Page 2

Lot Number	Percentage Share*	Lot Number	Percentage Share*	Lot Number	Percentage Share*
163	.4385764%	184	.4385764%	205	.4385764%
164	.4385764%	185	.3927121%	206	.4385764%
165	.4385764%	186	.5520902%	207	.4385764%
166	.4385764%	187	.5520902%	208	.4385764%
167	.4385764%	188	.3927121%	209	.4385764%
168	.4385764%	189	.4385764%	210	.4385764%
169	.4385764%	190	.4385764%	211	.4385764%
170	.4385764%	191	.4385764%	212	.4385764%
171	.4385764%	192	.4385764%	213	.4385764%
172	.4385764%	193	.3927121%	214	.4385764%
173	.4385764%	194	.5520902%	215	.4385764%
174	.4385764%	195	.5520902%	216	.4385764%
175	.4385764%	196	.3927121%	217	.4385764%
176	.4385764%	197	.4385764%	218	.4385764%
177	.3927121%	198	.4385764%	219	.4385764%
178	.5520902%	199	.4385764%	220	.4385764%
179	.5520902%	200	.4385764%	221	.3927121%
180	.3927121%	201	.4385764%	222	.5520902%
181	.4385764%	202	.4385764%	223	.5520902%
182	.4385764%	203	.4385764%	224	.3927121%
183	.4385764%	204	.4385764%		

TOTAL 100%

* Percentages are only applicable in the event that 224 Lots have been declared of record upon the Properties pursuant to The Village at Boca Rio Declaration of Covenants, Restrictions and Easements, as Supplemented.

BML/jww/0947A

B4695 P1445

DOCUMENT NO. 2
FOR
THE VILLAGE AT BOCA RIO

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ESCROW AGREEMENT TO PURCHASE AND SALE AGREEMENT

84695 P1446

THE VILLAGE AT BOCA RIO

ESCROW AGREEMENT TO PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 1985 by and between BASKIN & STENGUT P.A., a Florida professional corporation, having its place of business at 396 Camino Gardens Blvd, Rm 105, Boca Rio, Fl., 33432, (the "ESCROW AGREEMENT") and THE VILLAGE AT BOCA RIO, INC., a Florida corporation having offices at 3201 W Rolling Hills Circle, Davie, Florida 33328, (the "DEVELOPER").

W I T N E S S E T H :

WHEREAS, DEVELOPER intends to enter in purchase and sale agreement for the purchase and sale of Lots together with residential dwelling units thereon, at THE VILLAGE AT BOCA RIO (the "LOTS"), each of which is hereinafter referred to as the "Purchase Agreement"; and

WHEREAS, DEVELOPER desires to make arrangements with ESCROW AGENTS to escrow all or portions of the deposit on each Purchase Agreement and, further, to escrow deposits up to ten (10%) percent on each Purchase Agreement in accordance with the provisions of Section 501.1375, Florida Statutes (as the same exists on the date of execution hereof); and

WHEREAS, ESCROW AGENT has consented to hold all deposits which it receives pursuant to the terms and provisions hereof.

NOW, THEREFORE, the ESCROW AGENT, has consented to hold all deposits which it receives pursuant to the terms and provisions hereof.

1. From time to time, DEVELOPER will deliver checks payable to or endorsed to the ESCROW AGENT, which will represent a portion of the deposit on Purchase Agreement, together with a copy of each executed Purchase Agreement, and a Notice of Receipt of Deposit (in the form as set forth in Exhibit "2" attached hereto.) The ESCROW AGENT shall acknowledge on the Notice of Receipt of Deposit its receipt of such deposit and shall deliver an executed copy of same to the DEVELOPER and the Lot purchaser upon request.

2. Any deposits up to ten (10%) percent of the purchase price made by the purchaser to the DEVELOPER shall, unless waived in writing by the Purchaser (as evidence by Purchaser's indication on the Notice of Escrow in the form of Exhibit "1" attached hereto, or other writing) be deposited in an escrow licensed real estate broker, or a title company authorized to insure title to real property in the State of Florida. Such escrowed funds may be deposited in separate accounts or commingled with other escrow or trust accounts. In the event that the Purchaser does not waive his right to have deposits up to ten (10%) percent of the purchase price in an escrow account bearing interest at no less than the passbook rate of interest in effect at the time of the making of the deposit. Such account shall be in the name of the DEVELOPER and the Purchaser and shall be clearly denoted on the records of the escrow holder as an escrow account. All withdrawals from the account representing deposits up to ten (10%) percent of the purchase price delivered by the Purchaser who has not waived in writing his right pursuant to section 501.375, Florida Statutes, shall require the signature of both the DEVELOPER and the purchaser of its agent, except as otherwise provided herein below. When funds representing deposits up to ten percent (10%) of the purchase price have been placed in an interest bearing escrow account in the manner as aforescribed, the DEVELOPER shall be entitled to all interest accrued on the account, payable at closing.

3. In the event that the purchaser has waived or does not waive his right to have deposits up to ten (10%) percent of the purchase price placed in an escrow account and DEVELOPER shall, nevertheless, deliver such deposits to ESCROW

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AGENT, shall place such deposit monies in such account as DEVELOPER shall direct provided, however, that such direction shall be in accordance with the laws of the State of Florida. In the event the DEVELOPER shall request ESCROW AGENT to disburse all of a portion of such deposits or all or a portion of any interest thereon to DEVELOPER, ESCROW AGENT shall promptly so disburse such deposits and/or interest to DEVELOPER, provided, however, the DEVELOPER shall have first provided to ESCROW AGENT proof satisfactory to it of PURCHASERS written waiver of its rights to the escrow. In the event the purchaser has provided deposits in excess of ten percent (10%) of the purchase price (and regardless of whether or not Purchaser has waived or has not waived his right to have deposits up to ten percent (10%) placed in an escrow account in the manner described herein) and DEVELOPER shall have, nevertheless, delivered all or a portion of such deposits in excess of ten percent (10%) to ESCROW AGENT, ESCROW AGENT shall place such deposits (or a portion thereof) excess of ten percent (10%) of the purchase price in such accounts as DEVELOPER shall direct provided, however, that such direction shall be in accordance with the requirements of the laws of the State of Florida. In the event that DEVELOPER shall request ESCROW AGENT to disperse to it all or a portion of any such deposits in excess of ten (10%) of the purchase price and/or all or a portion of any interest thereon to DEVELOPER, ESCROW AGENT promptly so disperse such deposits and/or such interest to DEVELOPER. ESCROW AGENT shall, however, prior to dispersing all or a portion of any such deposits in excess of ten percent (10%) of the purchase price and/or all or a portion of any interest thereon, satisfy itself that such disbursements are authorized pursuant to the terms of the Purchase Agreement upon the receipt of any disbursements pursuant to this paragraph 3; only use disbursements of deposits (but not of interest on such deposits) for construction purposes.

4. In the event that Purchaser has not waived his right to have deposits up to ten percent (10%) of the purchase price placed in escrow account and DEVELOPER shall, nevertheless, desire to use such escrowed funds for building purposes, after notification to the Purchaser, the DEVELOPER shall acquire surety bond issued by a company licensed to do business in the State of Florida, if such bond is readily available in the open market, payable to the Purchaser in the amount of the portion of the escrow deposit representing deposits up to ten percent (10%) of the purchase price; and the funds representing deposits up to ten percent (10%) of the purchase price in the escrow deposit shall thereafter be released to the DEVELOPER for construction purposes only. In the case where no surety bond is available, the DEVELOPER may borrow money in an amount equal to the portion of the funds held in escrow representing deposits up to ten percent (10%) of the purchase price for construction purposes only, in which case any interest which the DEVELOPER pays on such loan for a period not to exceed twelve (12) months shall be paid by the Purchaser at the time of closing, but the Purchaser shall be credited for any interest accrued on the portion of the escrow account representing deposits up to ten percent (10%) of the purchase price. In lieu of and as an alternative to the foregoing provisions of this paragraph 4, a blanket or master surety bond issued by a company licensed to do business in the State of Florida may be acquired by the DEVELOPER, in an amount equal to or greater than the total amount of the portion of the monies representing escrow deposits on deposits up to ten percent (10%) of the purchase price received by DEVELOPER to the requirements of section 105.1375, Florida Statutes. The Purchaser shall be debited at closing in an amount equal to the premium for the surety bond (if acquired on an individual, purchaser basis) or for the portion of the bond securing such Purchaser's deposit up to ten percent (10%) of the purchase price (in the case of a master surety bond). Bond rates charged pursuant to the foregoing shall be subject to the provisions of part 1 of Chapter 627 of the Florida Insurance Code.

5. In the event that the Purchaser has not waived his right to require that his deposits up to ten percent (10%) of the purchase price be placed in an escrow account in the manner as contemplated herein, funds representing such deposits up to ten percent (10%) of the purchase price held in an interest-bearing escrow account shall be released without the signature of both the and the purchaser only under the following conditions:

A. Compliance with the provisions of paragraph 4 regarding the a surety bond payable to the buyer or, where no surety bond is available, the borrowing

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of monies to the extent of an in the manner provided herein; it being understood that certification by the DEVELOPER to ESCROW AGENT as to the unavailability of such surety bond shall be conclusive evidence that the same is unavailable.

B. Compliance with the requirements of paragraph 4 regarding the obtaining of a blanket or master surety bond.

C. If the Purchaser properly terminates the Purchase Agreement pursuant to its terms, the funds representing ten percent (10%) of the purchase price, including accrued interest, shall be paid to the Purchaser.

D. In the event that the Purchaser defaults in the performance of his obligations under the Purchase Agreement, the funds representing deposits up to ten percent (10%) of the purchase price shall be paid by ESCROW AGENT to the DEVELOPER together with any interest earned, in the following manner: DEVELOPER may, upon default of the Purchaser to comply with the terms and conditions of the Purchase Agreement between the parties, and if the DEVELOPER is not in default, withdraw any funds being held in escrow pursuant to the terms of this agreement. In order to make such withdraw, the DEVELOPER shall send written notice by certified notice to the purchaser of its intentions to make said withdrawals seventy-two (72) hours prior to the intended time of withdraw. After the expiration of the aforesaid seventy-two (72) hour period, the DEVELOPER, upon presentation to the ESCROW AGENT of a withdraw slip and passbook, if any, together with an affidavit certifying that the Purchaser is in default and that the developer is not in default, may withdraw or direct the ESCROW AGENT to withdraw and disperse the escrowed funds. The ESCROW AGENT and the escrow holder upon receipt of these items, shall release the funds to the DEVELOPER. The escrow holder shall not be liable for the release of funds pursuant to this subsection.

E. If the funds representing deposits up to ten percent (10%) of the purchase price have not previously been disbursed in accordance with the terms of this paragraph five, such funds shall be disbursed to the DEVELOPER at the closing of the transaction, together with interest thereon.

In the event that Purchaser shall have waived or does waive its right to deposit of funds up to ten percent (10%) of the purchase price, further, with regard to funds representing deposits in excess of ten percent (10%) of the purchase price, which funds have been placed in escrow, the provisions of paragraph 5 shall control the disbursement of such funds.

6. An escrow deposit or surety bond purchased with respect to funds representing ten percent (10%) of the purchase price, the escrow of which has not been waived by the purchaser, shall not be subject to any mechanics Lien of any lending institution (except if contracted for by purchaser) or subrogation in the case of default.

7. In the event that closing occurs with respect to the purchase and sale of the Lot, the Purchaser shall then have no right to place any claim on escrow funds for breach of contract.

8. The provisions of this Escrow Agreement regarding the escrow of funds up to ten percent (10%) of the purchase price, the escrow of which has not been waived by the Purchaser, shall not be applicable to deposits which are placed in an escrow account required by the Federal Housing Administration or the Veterans Administration, and those deposits made to licensed real estate brokers pursuant to this section shall be deposited in accordance with the provisions of Chapter 475, Florida Statutes.

9. The ESCROW AGENT may act in reliance upon any writing or instrument or signature with it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument, and may assume that any person purporting to give any writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized to do so. The ESCROW AGENTS shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any written instructions delivered to it; the sufficiency of the title to the property to be conveyed; nor as to the identity authority, or rights of any person

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executing the same. The duties of the ESCROW AGENT shall be limited to the safe-keeping of the deposits and to disbursements of same in accordance with the written instructions described above. The ESCROW AGENT undertakes to perform only such duties as are expressly set forth herein and no implied duties or obligations shall be read into this agreement against the ESCROW AGENT. Upon the ESCROW AGENT's disbursing the deposit of a purchaser in accordance with the provisions hereof, the escrow shall terminate and regards purchaser's deposit, and ESCROW AGENT shall thereafter be released of all liability hereunder in connection therewith.

10. The ESCROW AGENT may consult with counsel of its own choice and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The ESCROW AGENT shall otherwise not be liable for any mistakes of fact or error of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence, and DEVELOPER agrees to indemnify and hold the ESCROW AGENT harmless from any claims, demands, causes of action, liability, damages or judgments, including the cost of defending any trial or appellate action against it, together with any reasonable attorney's fees incurred therewith, in connection with ESCROW AGENT's undertaking pursuant to the terms and conditions of this escrow agreement, unless such act or omission is a result of the willful misconduct or gross negligence of the ESCROW AGENT.

11. In the event of disagreement about the interpretation of this agreement, or about the rights and obligations or the propriety of any action contemplated by the ESCROW AGENT hereunder, ESCROW AGENT may, at its sole discretion, file an action in interpleader to resolve the said disagreement. ESCROW AGENT shall be indemnified by DEVELOPER for all costs, including reasonable attorney's fees, in connection with the aforesaid interpleader action.

12. The ESCROW AGENT may resign at any time upon the giving of thirty (30) days' written notice to the DEVELOPER. Within said thirty (30) day period, DEVELOPER shall have the sole right to appoint a successor ESCROW AGENT. Thereupon, all funds may be transferred from the ESCROW AGENT upon such time as ESCROW AGENT executes an Escrow Agreement in substantially the same form and substance of this Agreement. A successor ESCROW AGENT shall be either a bank or trust company having trust powers, an attorney registered under Chapter 475 of a title insurance company authorized to insure title to real property in the State of Florida. If a successor ESCROW AGENT is not appointed by the DEVELOPER within thirty (30) days after notice of resignation, the ESCROW AGENT may petition any court of competent jurisdiction to name a successor ESCROW AGENT; and the ESCROW AGENT herein shall be fully relieved of all liability under this Agreement to any and all parties, upon the transfer of and due accounting for the escrow deposits to the successor ESCROW AGENT either designated by the DEVELOPER or appointed by the court.

13. In the event ESCROW AGENT is joined as a party to a lawsuit by virtue of the fact that it is holding a buyer's deposit, ESCROW AGENT shall, at its option, either tender said deposit to the registry of the court or disburse same in accordance with the court's ultimate disposition of the cause and ESCROW AGENT shall be entitled to its reasonable attorney's fees and court costs in accordance with this Agreement.

14. This ESCROW AGREEMENT shall be expressly incorporated by reference in all Purchase Agreements between DEVELOPER and Purchasers.

15. This Agreement represents the entire agreement between the parties with respect to the subject matter hereof and shall be binding upon the parties, their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

(CORPORATE SEAL)

BASKIN & STEINGUT P.A. a Florida
professional corporation

by: _____

THE VILLAGE AT BOCA RIO, INC., a
Florida Corporation

(CORPORATE SEAL)

By: _____

Title: _____

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EXHIBIT "1" TO ESCROW AGREEMENT

NOTICE ON ESCROW

RE: LOT NO. _____; THE VILLAGE AT BOCA RIO

THE PURCHASER OF A ONE- OR TWO- FAMILY RESIDENTIAL DWELLING UNIT HAS THE RIGHT TO HAVE ALL DEPOSIT FUNDS (UP TO TEN (10%) PERCENT OF THE PURCHASE PRICE) DEPOSITED IN AN INTEREST-BEARING ESCROW ACCOUNT. THIS RIGHT MAY BE WAIVED, IN WRITING, BY THE PURCHASER.

This Notice on Escrow is given to comply with the provisions of Section 501.1375, Florida Statutes, which requires that deposits up to ten (10%) percent of the purchase price for the Lot together with residential dwelling unit more particularly described in the above Purchase Agreement be held in escrow in accordance with the provisions thereof unless Purchaser waives its right thereunder. Seller has made provision to place in escrow various deposits which it from time to time receives from Purchasers pursuant to an Escrow Agreement, an executed copy of which is available for Purchaser's inspection at the sales office of Seller. By Purchaser's execution hereof, Purchaser expressly warrants that he has inspected and is satisfied with the provisions of such executed copy.

Most new home purchases are conducted without the loss of the deposit monies or down payment. However, the Legislature enacted Section 501.1375, Florida Statutes, to protect purchasers of one- or two-family residential dwelling units, if they so desire. Should Purchaser decide that the above protection is unnecessary, as most do, then Purchaser may, pursuant to law, waive such protection by executing this Notice on Escrow where indicated below.

Should Purchaser decide not to waive the above protection, and have the aforementioned deposit placed in escrow as required by Section 501.1375, Florida Statutes, then:

(1) The deposit monies, together with any interest earned thereon, shall remain in escrow to be disbursed to Developer either at closing or upon your default under the Purchase and Sale Agreement for the above Lot (the "Agreement"), or shall be disbursed to you should you properly terminate the Agreement pursuant to its terms, OR

(2) If Seller elects to do so, Seller may use the deposit for building purposes only and charge Purchaser the cost (or allocable portion of the cost) of the premium for a surety bond, OR

(3) If no surety bond is available, Seller may charge Purchaser the interest that it pays to borrow money in an amount equal to the funds held in escrow (for a period not to exceed twelve (12) months) on your

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behalf, with a credit to Purchaser for any interest accrued on the escrow account.

Obviously, the escrowing of a Purchaser's deposit up to ten (10%) percent of the purchase price may result in additional costs. Should the Seller decide to use the money for building purposes and secure a loan in the amount of a deposit in the amount of, by way of example, Six Thousand (\$6,000.00) Dollars, such loan over twelve (12) months at fifteen (15%) percent interest could result in a charge to Purchaser at closing in the amount of Nine Hundred (\$900.00) Dollars less interest earned on the deposit at passbook rates. Should the builder elect to secure a surety bond bearing a ten (10%) percent premium, the fee to the Purchaser at closing on such assumed deposit would be Six Hundred (\$600.00) Dollars.

Be advised further, that the escrow protection afforded under Section 501.1375, Florida Statutes, applies only to payments up to ten (10%) percent of the purchase and accordingly:

ANY PAYMENT IN EXCESS OF TEN (10%) PERCENT OF THE PURCHASE PRICE MADE TO THE DEVELOPER PRIOR TO CLOSING PURSUANT TO THE CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

The undersigned Purchaser has examined the Escrow Agreement and the provisions of this Notice on Escrow and directs the Seller to escrow deposits up to ten (10%) percent of the purchase price in accordance with the provisions of Section 501.1375, Florida Statutes.

Witness: _____

PURCHASER: _____

Date: _____

PURCHASER: _____

The undersigned Purchaser hereby waives any and all rights, powers, privileges and protections available under Section 501.1375, Florida Statutes, it being understood there shall be no escrow of deposits. Purchaser acknowledges receiving a copy of this Notice and represents that Purchaser has checked the reputation, background and financial stability of Seller and releases Seller and ESCROW AGENT from any requirement to comply with Section 501.1375, Florida Statutes, waives all rights to any interest on the deposits, and authorizes ESCROW AGENT to release any portion of the deposit or deposits which may have been deposited with ESCROW AGENT.

Witness: _____

PURCHASER: _____

Date: _____

PURCHASER: _____

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EXHIBIT "2" TO ESCROW AGREEMENT

NOTICE OF RECEIPT OF DEPOSIT

DATE: _____

Baskin & Steingut, P.A.
398 Camino Gardens Blvd.
Boca Rio, Florida 33432

RE: LOT NO. _____; THE VILLAGE AT BOCA RIO
DWELLING UNIT DESCRIPTION: _____

Gentlemen:

The undersigned Purchaser(s) notify you that they have entered into a Purchase and Sale Agreement for the purchase of the above Lot together with residential dwelling unit and deliver herewith a deposit of \$ _____ in accordance with the Purchase and Sale Agreement, an executed copy of which is attached to this Notice.

Name of Purchaser(s) - PLEASE PRINT: _____

Signature of Purchaser(s): _____

Social Security No.: _____

Mailing Address: _____

Mailing Address: _____

RECEIPT

Receipt is acknowledged of the above deposit as evidenced by a copy of Purchaser(s) attached check and is subject to clearance of said funds.

Baskin & Steingut, P.A.

By: _____

Title: _____

Date of Receipt: _____

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DOCUMENT NO. 3,
FOR
THE VILLAGE AT BOCA RIO

This is not a certified copy

ESTIMATED OPERATING BUDGET FOR THE VILLAGE AT BOCA RIO

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ESTIMATED OPERATING BUDGET
FOR
THE VILLAGE AT BOCA RIO

(NOTES 1, 2 and 3)

	Phase 1 (88 Lots)		Phases 1 & 2 (148 Lots)		Phases 1, 2 & 3 (224 Lots)	
	Monthly	Annually	Monthly	Annually	Monthly	Annually
ADMINISTRATION						
Bookkeeper & Secretary	\$ 290	3,480	487	5,844	720	8,880
Taxes & Benefits	44	528	74	888	122	1,344
Office Supplies	39	468	66	792	100	1,200
Telephone	39	468	66	792	100	1,200
Accounting	39	468	66	792	100	1,200
Legal	39	468	66	792	100	1,200
Insurance	115	1,380	193	2,316	292	3,504
MAINTENANCE						
Mechanic	423	5,076	711	8,532	1,076	12,912
Porters	583	6,996	980	11,760	1,484	17,808
Taxes & Benefits	151	1,812	254	3,048	384	4,608
Exterminating	39	468	66	792	100	1,200
Landscaping	1,557	18,684	2,619	31,428	3,964	47,568
Maintenance Supplies	175	2,100	193	2,316	292	3,504
Trash Removal	58	696	98	1,176	148	1,776
Uniforms	28	336	48	576	72	864
Recreation Area (Note 4)	750	9,000	1,260	15,120	1,908	22,896
Lake Maintenance	39	468	66	792	100	1,200
Access Road	134	1,608	223	2,676	340	4,080
Tangible & Other Taxes	58	696	98	1,176	148	1,776
Reserves (Note 5)	704	8,448	1,184	14,208	1,792	21,504
Real Estate Taxes	198	2,376	333	3,996	504	6,048
TOTALS:	\$ 5,442	65,304	9,151	109,812	13,856	166,272

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ESTIMATED OPERATING BUDGET
(NOTE 4)

	Phase 1 (88 Lots)		Phases 1 & 2 (148 Lots)		Phases 1, 2 & 3 (224 Lots)	
	Monthly	Annually	Monthly	Annually	Monthly	Annually
<u>RECREATION AREA</u>						
Recreation director	\$ 355	4,260	597	7,164	905	10,860
Taxes & Benefits	53	636	90	1,080	134	1,608
Supplies	72	864	123	1,476	186	2,232
Electric	171	2,052	288	3,456	438	5,256
Water & Sewer	57	684	96	1,152	146	1,752
A/C Maintenance	41	492	65	780	99	1,188
TOTAL	\$ 749	8,988	1,259	15,108	1,908	22,896

BML/jww/0418A

NOTES TO BUDGET

- Note 1: Since the first annual accounting period cannot reasonably be ascertained at this time, the estimated expenses are stated for an annual accounting period, subject to the provisions of Article IX of the Declaration of Covenants.
- Note 2: There is excluded from this estimate items of expense that are personal to dwelling unit owners or which are not uniformly incurred or which are not provided for nor contemplated at the time of the preparation hereof, including, but not limited to, private telephone costs, cost of the maintenance of the Lots together with townhomes or villas, as the case may be (to the extent that such maintenance is not the obligation of the Association), the cost of maid or janitorial services privately contracted for, the cost of utilities bills, billed directly to each dwelling unit owner, insurance premiums other than those incurred by the Association, debt servicing upon any mortgage encumbering a Lot, real estate taxes assessed directly to the Lot, expenses for maintenance, repair and upkeep of personal property and fixtures, and like personal expenses.
- Note 3: The entries in this Budget are based upon operating history and cost figures for other developments in the South Florida area and by discussions with proposed suppliers and other experience pertaining directly to this project; however, the same are estimates only and are subject to revision to reflect changes in costs and services and changes in the subject matter addressed by the budget in accordance with the provisions of the Declaration of Covenants.
- Note 4: In accordance with the provisions of Article II of the Declaration of Covenants, the recreation facilities may or may not be completed during the period in which this Budget is in effect. Accordingly, the total amounts allocated for recreational lands may be accrued as a surplus and applied toward such expenses when the same are incurred or, alternatively, may be used for such other purposes as the Board, in its sole discretion, deems appropriate or necessary.
- Note 5: Reserves have been estimated based upon the initial, anticipated amounts appropriate for initial collection in connection with the establishment of reserves for the Improvements upon the Properties required to be maintained by the Association pursuant to the Declaration of Covenants. The Board shall, in the event that it shall be necessary to reconstruct, replace, repair or maintain any of the Improvements upon the Properties (in accordance with the obligations of the Association under the Declaration of Covenants) have the right and the discretion to deplete all or such portion of such reserves as it may deem necessary or to maintain such reserves and to access for such needs as it deems appropriate such monies as are authorized for assessments in accordance with the provisions of Article IX of the Declaration of Covenants.

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ESTIMATED INITIAL MONTHLY AND ANNUAL MAINTENANCE EXPENSES OF OWNERS

In accordance with the provisions of Section 10 of Article IX of the Declaration of Covenants, periodic common assessments to be levied upon owners of Lots shall be in accordance with the Owners' Percentage Share of Assessments set forth as Exhibit "I" to the Declaration of Covenants, or the the event that additional phases of lands are declared as Properties by Supplemental Declaration in accordance with the Owners' Percentage Share of Assessments upon inclusion of Additional Phases set forth as Exhibit "J" to the Declaration of Covenants. The following (subject to Developer's rights to be excused from maintenance payments upon its election to guarantee maintenance in accordance with the Declaration of Covenants) represents the estimated monthly and annual maintenance expenses of owners of Lots, together with townhomes or villas (as the case may be):

PHASE I - 88 LOTS

<u>Lot and Model</u>	<u>Percentage Share</u>	<u>Monthly</u>	<u>Annual</u>
Lot and Townhome	1.11295%	60.55	726.60
Lot and Townhome Plus	1.40102%	76.30	915.60
Lot and Villa	.99658%	54.30	651.60

PHASES I and II - 148 LOTS

<u>Lot and Model</u>	<u>Percentage Share</u>	<u>Monthly</u>	<u>Annual</u>
Lot and Townhome	.6645932%	60.85	730.20
Lot and Townhome Plus	.8366958%	76.45	917.40
Lot and Villa	.5950935%	54.35	652.20

PHASES I, II and III - 224 LOTS

<u>Lot and Model</u>	<u>Percentage Share</u>	<u>Monthly</u>	<u>Annual</u>
Lot and Townhome	.4385764%	60.80	729.60
Lot and Townhome Plus	.5520902%	76.40	916.80
Lot and Villa	.3927121%	54.30	651.60

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DOCUMENT NO. 4
FOR
THE VILLAGE AT BOCA RIO

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RECEIPT FOR HOMEOWNERS' DOCUMENTS

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THE VILLAGE AT BOCA RIO

RECEIPT FOR HOMEOWNERS' DOCUMENTATION

The undersigned Purchaser acknowledges that the documents listed below have been received on the dates set forth below.

DOCUMENT NO. 1

Declaration of Covenants, Restrictions and Easements

- Exhibit "A" - Legal Description for The Village at Boca Rio Complex.
- Exhibit "B" - Legal Description for the Properties.
- Exhibit "C" - Legal Description for the Lots.
- Exhibit "D" - Site Plan for the Properties.
- Exhibit "E" - Legal Description for the Common Properties
- Exhibit "F" - Articles of Incorporation for The Village at Boca Rio Homeowners' Association, Inc.
- Exhibit "G" - By-Laws for The Village at Boca Rio Homeowners' Association, Inc.
- Exhibit "H" - Rules and Regulations for The Village at Boca Rio Homeowners' Association, Inc.

DOCUMENT NO. 2

Pro-Forma Escrow Agreement to Purchase and Sale Agreement

DOCUMENT NO. 3

Estimated Operating Budget for The Village at Boca Rio

DOCUMENT NO. 4

Receipt for Homeowners' Documents

SUPPLEMENTAL AMENDMENTS

Supplemental Amendment to
Declaration of Covenants, Restrictions and Easements
(COMPLETE BLANK IF DELIVERED)

EXECUTED this _____ day of _____, 19_____.

PURCHASERS:

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BML/alc/0405A
09/28/84 - D-0005A

RECORD VERIFIED
PALM BEACH COUNTY, FLA
JOHN B. DUNKLE
CLERK CIRCUIT COURT