

Bay Cove

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
BAY COVE**

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
BAY COVE**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made this 16th day of March, 2001 by WCI COMMUNITIES, INC., a Delaware corporation successor by merger to WCI COMMUNITIES LIMITED PARTNERSHIP, a Delaware limited partnership ("Developer"), and is joined in by the BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation ("Association"), and by HERON BAY COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation ("Heron Bay Community Association").

Developer is the owner of the real property described in Exhibit "A" attached to this Declaration, and incorporated into this Declaration by reference. Developer intends by this Declaration to impose restrictions upon certain properties under a general plan of development to mutually benefit all owners of residential properties within the restricted property. Developer desires to provide a flexible, manageable, and reasonable procedure for the overall development of the restricted property, and to establish a method for the administration, maintenance, preservation, use, and enjoyment of the restricted property.

Developer declares that the property restricted by this Declaration and any additional property which may be subjected to this Declaration by a Subsequent Amendment shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property subjected to this Declaration. The easements, covenants, conditions and restrictions found in this Declaration shall be binding on all persons or entities, and their heirs, successors, and assigns, having any right, title, or interest in the property subjected to this Declaration.

ARTICLE I

DEFINITIONS

1. "Architectural Review Committee" or "ARC" shall refer to a permanent committee of the Heron Bay Community Association established pursuant to the Heron Bay Community Declaration (hereinafter defined).
2. "Architectural Review Requirements" shall mean such standards of conduct maintenance or other activity, if any, established by the Architectural Review Committee.
3. "Articles" shall mean the Articles of Incorporation of the Association (hereinafter defined). A true and correct copy of the Articles is attached hereto, made a part hereof, and marked Exhibit "B".
4. "Assessment" means a share of the funds which are required for the payment of Association Expenses, which from time to time is assessed against the Members (hereinafter defined) of the Association. The term, "Assessment" may from time to time also collectively

refer to Annual Assessments, Special Assessments (defined herein), Capital Contributions (defined herein), and Default Assessments (defined herein) wherever the context requires.

5. "Association" shall mean and refer to Bay Cove at Heron Bay Homeowners' Association, Inc., a Florida corporation not-for-profit, its successors and assigns, as the entity created to maintain, manage, and control the Common Areas, to collect Assessments, and to exercise such other rights and obligations as are provided in the Homeowners Documents.

6. "Association Expenses" shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserves, all as may be found to be necessary and appropriate by the Board, pursuant to the Homeowners Documents (hereinafter defined).

7. "Basic Service" shall mean "basic service tier" as described in Section 62(b)(7)(A) of the Cable Television Consumer Protection Act of 1992.

8. "Board" shall mean the Board of Directors of the Association.

9. "Bulk Alarm Assessments" shall have the meaning set forth in Article IX, Section 2 hereof.

10. "Bulk Cable Assessments" shall have the meaning set forth in Article IX, Section 2 hererof.

11. "Bylaws" shall mean and refer to the Bylaws of the Association, attached hereto, made a part hereof, and marked Exhibit "C".

12. "Capital Contributions" shall have the meaning set forth in Article IX, Section 5.

13. "Certificate of Compliance" shall have the meaning set forth in Article XII, Section 3 herein.

14. "City" shall mean the City of Parkland, Florida.

15. "Common Area" or "Common Areas" shall mean all real property including any improvements, amenities, easements, fixtures and facilities thereon owned, leased, controlled or operated by the Association or to which the Association accepts maintenance responsibilities, or the use of which, has been granted to the Association as set forth in this Declaration or a Subsequent Amendment, or a deed of conveyance, or that hereafter may be conveyed or leased to the Association or to which use rights have been granted to the Association, all as further described in Article VI hereof. By way of example, and not of limitation, Common Areas may include areas used for landscaping, drainage, recreational areas, open space, walkways, pedestrian and vehicle ingress and egress.

16. "Community Assessment" shall have the meaning set forth in Article IX, Section 3.

17. "Community-Wide Standard" shall mean the standard of conduct, maintenance,

or other activity generally prevailing throughout the Properties. Such standard may be reasonably and more specifically determined by the Board.

18. "Condominium Act" shall mean Chapter 718 of the Florida Statutes in effect on the date any Lot(s) are submitted to condominium ownership and are filed as such in the Public Records of the County.

19. "County" shall refer to Broward County, Florida.

20. "Data Transmission Services" shall mean enhanced services as defined in Section 64.702 of Title 47 of the Code of Federal Regulations, as amended from time to time, and without regard to whether the transmission facilities are used in interstate commerce.

21. "Declaration" shall mean the easements, covenants, conditions, restrictions, and all other terms set forth in this document, and as may be amended from time to time.

22. "Default Assessment" shall have the meaning set forth in Article IX, Section 6.

23. "Developer" shall mean and refer to WCI Communities, Inc., a Delaware corporation, its successors and assigns, which is also the 'Declarant' under the Heron Bay Community Declaration (hereinafter defined).

24. "Development(s)" shall mean and refer to such residential or commercial developments which are now or hereafter located within the Heron Bay Community.

25. "Expanded Basic Service" shall mean video programming services offered in addition to Basic Service, excluding Premium Channels.

26. "General Plan of Development" shall mean that portion of the Plat of Heron Bay East dedicated to the Association or submitted to this Declaration, initially or by Subsequent Amendment (hereinafter defined), as approved by the appropriate governmental agencies, and which shall represent the development plan and general uses of the Property.

27. "Heron Bay Community" shall mean and refer to those portions of the real property that are located in Broward County, Florida, are "Committed Property" as such term is defined in the Heron Bay Community Declaration, and such additional real property that is now or hereafter submitted to the Heron Bay Community Declaration.

28. "Heron Bay Community Association" shall mean and refer to Heron Bay Community Association, Inc., the entity created to maintain, manage, and control the Heron Bay Community, to collect assessments, and to exercise such other rights and obligations as are provided in the Heron Bay Community Declaration (hereinafter defined).

29. "Heron Bay Community Declaration" shall mean and refer to that certain Declaration of Covenants, Conditions and Restrictions, and all exhibits thereto recorded in Official Record Book 24242, Page 652, Public Records of Broward County, Florida and as now or hereafter amended.

30. "Homeowners Documents" means in the aggregate this Declaration, the Articles, the Bylaws of the Association, the Rules and Regulations of the Association as well as the Heron Bay Community Declaration, the Articles of Incorporation and Bylaws of the Heron Bay Community Association, Inc, the typical form of Special Warranty Deed, the form of Residence Purchase Contract or Plat of Heron Bay East, and all of the instruments and amendments to same executed in connection with the General Plan of Development.

31. "Institutional Mortgagee" shall mean any lending institution having a first lien on any property subject to this Declaration, including any of the following institutions: an insurance company or subsidiary thereof, a federal or state savings and loan association, a federal or state building and loan association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a federal or state banking association, a real estate investment trust, or any mortgage banking company authorized to do business in the State of Florida.

32. "Lot" shall mean and refer to any portion of the Property designated as a Lot on the Plat of Heron Bay East, as the same may be amended by Developer from time to time.

33. "Member" shall mean a member of the Association.

34. "Modifications Committee" shall refer to a permanent committee of the Association established pursuant to the terms of Article XII of this Declaration.

35. "Multichannel Video Programming Service" shall mean any method of delivering video programming to Units including, without limitation, interactive video programming. By way of example, and not of limitation, the term Multichannel Video Programming Service may include cable television, satellite master antenna television, multipoint distribution systems, video dial tone, or any combination thereof.

36. "NSID" shall mean and refer to the North Springs Improvement District, a special taxing district established by the State of Florida, its successors and assigns.

37. "Occupant" shall mean the occupant of a Unit who shall be the owner, the lessee, or their respective guest(s).

38. "Owner" shall mean and refer to one (1) or more Persons (defined below) who hold the record title to any Lot, but excluding any party holding an interest merely as security for the performance of an obligation.

39. "Person" means a natural person, a corporation, a partnership, a trustee, or other legal entity.

40. "Plat of Heron Bay East" or "Plat" shall mean the plat recorded in Plat Book 169, Page 105 through 122 inclusive, as the same may be amended by Developer from time to time.

41. "Premium Channel" shall mean any channel recognized in the industry as premium including, without limitation, HBO, Showtime, Disney, Cinemax and the Movie Channel.

42. "Property" or "Properties" shall mean all of the real and personal property submitted to this Declaration. The real property initially submitted to this Declaration is described in Exhibit "A".

43. "Roads" shall mean and refer to any street or thoroughfare which is constructed by Developer within the Property, and which is dedicated to the County, the Association, Heron Bay Community Association, or any other governmental agency, whether same is designated, for example, by way of illustration and not as limitation, as a street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, alley or similar designation.

44. "Rules and Regulations" shall mean the rules, regulations, and policies which are attached hereto, made a part hereof, and marked Exhibit "D", and as may be adopted by the Board from time to time by resolution or motion carried.

45. "Single Family" means one person or a group of two or more persons living together and interrelated by bonds of consanguinity, marriage, or legal adoption, or not more than two persons living together who may or may not be interrelated.

46. "Special Assessment" shall have the meaning set forth in Article IX, Section 4.

47. "Subsequent Amendment" shall mean an amendment to this Declaration which subjects additional property to this Declaration, or which withdraws property previously submitted to this Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on any land submitted by a Subsequent Amendment to the provisions of this Declaration.

48. "Telecommunications Provider" shall mean any party contracting with the Association to provide Owners with one or more Telecommunication Services. Developer, its affiliates, subsidiaries, joint venturers, associates, and partners may be a Telecommunications Provider. With respect to any particular Telecommunications Services, there may be one or more Telecommunications Providers. By way of example, with respect to Multichannel Video Programming Service, one Telecommunications Provider may provide the Association such service while another may own, maintain and service the Telecommunications Systems which allow delivery of such Multichannel Video Programming Service.

49. "Telecommunications Services" shall mean local exchange services provided by a certified local exchange carrier or alternative local exchange company, intraLATA, and interLATA voice telephony and data transmission service and Multichannel Video Programming Service. Without limiting the foregoing, such Telecommunications Services may include the provision of the following services: Toll Calls, Data Transmission Services, Basic Service, Expanded Basic Service and Premium Channels.

50. "Telecommunications Systems" shall mean all facilities, items and methods required and/or used in order to provide Telecommunications Services to the Property. Without limiting the foregoing, Telecommunications Systems may include wires (fiber optic or other material), conduits, passive and active electronic equipment, pipes, wireless cell Lots, computers, modems, satellite antennae Lot(s), transmission facilities, amplifiers, junction boxes, trunk distribution, drop cables, related apparatus, converters, connections, head-end antennae, earth

station(s), appurtenant devices, network facilities necessary and appropriate to support provision of local exchange services and/or any other item appropriate or necessary to support provision of Telecommunications Services. Ownership and/or control of all of a portion of any part of the Telecommunications Services may be bifurcated among network distribution architecture, system head-end equipment, and appurtenant devices (e.g., individual adjustable digital units).

51. "Toll Calls" shall have meaning given to such term by the Florida Public Service Commission and/or the Federal Communications Commission.

52. "Transfer Date" shall mean the date that Developer relinquishes the right to appoint all of the Directors to the Board, and conveys legal title to the Common Area to the Association. The Transfer Date shall be the date when the earlier of the following events occurs ("Transfer Date"): (i) 90 days after Developer has conveyed to Members all of the Lots in all phases of the community that will ultimately be operated by the Association, (ii) the date required by Section 720.307, Florida Statutes, as now or hereafter amended, or (iii) Developer elects to relinquish its control of the Association.

53. "Unit" shall mean a finished portion of the Properties, for which a certificate of occupancy has been issued by the appropriate jurisdiction and which is intended for use and occupancy as a residence for a Single Family.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

1. Use of Property. Every Owner's use of the Property shall be in compliance with all laws, ordinances, regulations, and orders, including, without limitation, the following:

A. All terms, conditions and provisions in all preliminary and final approved Lot Plan Approval, and all amendments thereto.

B. The conditions in any and all permits from any local, state and federal governmental authority, including, without limitation, the upland preservation requirements imposed by the City or Broward County, Florida.

C. All terms and conditions of any bonds now or hereafter issued by NSID.

D. All terms, conditions, covenants, conditions, and restrictions set forth in the Heron Bay Community Declaration.

2. Initial Property. The Property which is subject to the easements, covenants, conditions, and restrictions imposed by this Declaration is described in Exhibit "A".

3. Additional Property. Developer may subject additional property to this Declaration, including without limitation, residential property, Common Areas, Roads, and properties of all types, including undeveloped lands and platted subdivisions, and lots by recording in the public records of the County a Subsequent Amendment to this Declaration setting forth any use

restrictions, voting rights, maintenance requirements, user fees, dues, or other provisions pertaining to such additional property. Despite the fact that Developer's submission of additional property to this Declaration may result in an overall increase in the Association Expenses, and a resulting increase in the Assessments payable by each Unit, or may result in an increase in the total number of votes or Members in the Association, Developer shall not be required to obtain the joinder or consent of the Association, any Owner, any other Person (except for the approval, if required, of the Heron Bay Community Association and governmental authorities), or any Institutional Mortgagee. Any property submitted to this Declaration by Subsequent Amendment, shall be included in the term "Property". Likewise, Developer reserves the right to withdraw any portion of the Property from the restrictions, covenants, and conditions of this Declaration, including, without limitation, any residential property, Roads, Common Areas or other areas that may have been submitted initially by this Declaration or by a Subsequent Amendment, and Developer shall not be required to obtain the joinder or consent of the Association, any Owner, any other Person (except for the approval, if required, of the Heron Bay Community Association, Developer, and governmental authorities), or any Institutional Mortgagee. Developer shall have such rights until the Transfer Date. Developer's right to withdraw any portion of the Property shall not be applicable to any portion of the Property that has been conveyed to an Owner.

4. Neighborhood Plan. If sales response warrants the development, it is the intention of Developer to develop the Property in two (2) or more phases. Developer reserves the right to modify the architectural appearance, dimensions, and Lot Plan for Bay Cove. Developer's right to modify the architectural appearance, dimensions, and Lot Plan shall not require the consent of any other person or entity, except for approval, if required, of the Heron Bay Community Association, Developer, and governmental authorities.

ARTICLE III

PROPERTY RIGHTS

1. Use of Common Area. Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to this Declaration as it may be amended from time to time and any Rules and Regulations adopted by the Association regarding such use, and subject to any restrictions or limitations contained in any deed conveying such property to the Association. Any Owner may delegate his or her right of enjoyment to the members of his or her family, tenants, and social invitees subject to reasonable regulation by the Board, and in accordance with procedures which it may adopt. An Owner who leases his or her Unit shall be deemed to have delegated all such rights to the Unit's lessee. The rights and easements of enjoyment created hereby shall be subject to the following:

A. Right to Borrow Money. The right of the Association to borrow money for the purpose of improving the Common Area and, in connection therewith, to mortgage the Common Area.

B. Protect Against Foreclosure or Imminent Danger. The right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure or an imminent danger.

C. Suspension of Rights.

(i) The right of the Association to suspend the enjoyment rights and easements of any Owner for any period during which an Assessment remains unpaid by that Owner.

(ii) The right of the Association to suspend the enjoyment rights and easements of any Owner for any period during which such Owner is in violation of this Declaration, the Heron Bay Community Declaration, any of the Rules and Regulations promulgated by the Association or the Heron Bay Community Association, or any of the traffic regulations of the Association or the Heron Bay Community Association.

D. Maintenance. The right of the Association to maintain the Common Area.

E. Rules and Regulations. Rules and regulations governing the use and enjoyment of the Common Area, as promulgated by the Association or the Heron Bay Community Association.

F. Traffic Regulations. Traffic regulations governing the use and enjoyment of the Roads, as promulgated by the Association or the Heron Bay Community Association, including without limitation, any traffic regulations required by any traffic enforcement agreement with the City.

G. Dedications. The right of the Association to dedicate or transfer all, or any part, of the Common Area to any governmental or quasi-governmental agency, authority, utility, water management or improvement district, including NSID.

H. Restrictions. Restrictions contained on the Plat, or filed separately, with respect to all or any portion of the Property.

I. Declaration. All of the provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association and all exhibits thereto, and all Rules and Regulations adopted by the Association, as same may be amended from time to time.

J. Heron Bay Community Declaration. All of the provisions of the Heron Bay Community Declaration, and the Articles of Incorporation and Bylaws for the Heron Bay Community Association and all exhibits thereto, and all Rules and Regulations adopted by Heron Bay Community Association, as same may be amended from time to time.

K. Utility Easements. The Owners' easements of enjoyment shall be subject to easements, hereby reserved over, through and underneath the Common Area, and (where appropriate) the Lots for present and future utility services to the Property, including, but not limited to, easements for water pipes, sanitary sewer pipes, emergency sewer lines, storm drainage pipes, sprinkler pipes, telephone cables, cable television, Internet cable, security wires and street lights. Easements for such utility services are reserved by Developer for all buildings

and improvements which have been or may be constructed on the Property and Developer may grant specific easements to utility companies and others as reasonably necessary.

L. Sidewalks. Notwithstanding the fact that parts of the sidewalks in the Property may be located within a Lot, such sidewalks are subject to an easement for use by Developer, the Association, all Owners, their guests, licensees, and invitees.

M. Emergency Access. In case of any emergency originating in, or threatening the Property or any Unit, regardless of whether the Owner is present at the time of such emergency, the Board or the Heron Bay Community Association, or any other person authorized by the Association or the Heron Bay Community Association, or the management agent under a management agreement, shall have the right to enter the Property or such Lot or Unit, for the purpose of remedying, or abating, the cause of such emergency, and such right of entry shall be immediate.

2. Heron Bay Community Association Rights. In the event of a permanent dissolution of the Association or in the event the Association fails to maintain the Common Area, the Heron Bay Community Association may maintain the Common Area and may collect assessments against Members for the costs thereof, in accordance with the Heron Bay Community Declaration. Upon permanent dissolution of the Association, the Members shall immediately hold title to the Common Area as tenants in common.

3. Developer's Rights. The Owners' easements of enjoyment shall be subject to the rights reserved by Developer for future development of Heron Bay Community. As a material condition for ownership of a Lot, each Owner, by accepting a deed to a Lot, releases Developer from any claim for interference with his quiet enjoyment of his Lot or the Common Area, due to the development of Heron Bay Community, whether or not the construction operations are performed on the Heron Bay Community common property, the Common Area, or the Lots, and each Owner acknowledges and agrees that Developer shall have the sole right of design, construction, development and improvement of the Heron Bay Community common area, and other property owned by Developer within Heron Bay Community.

4. Telecommunications Services.

A. Authority of Developer or Board. Developer or the Board shall have the right but not the obligation to establish exclusive systems for the provision of Telecommunication Services. Developer or the Board may establish and operate such systems itself or may enter into agreements with related or unrelated persons or entities for this purpose, with any such agreements to be on such terms as Developer or the Board shall deem, in its sole discretion, to be in the best interests of the Owners. If Developer is not the Telecommunications Provider for any particular Telecommunications Service, Developer shall have the right to receive, on a perpetual basis, all or a portion of access fees and/or the revenues derived from such Telecommunications Service within the Property as agreed, from time to time, between the Telecommunications Provider and Developer. Any such systems for Telecommunications Services shall be mandatory for all Owners, regardless of when they took title to a Unit.

B. Terms of Services. The terms upon which the Telecommunications Services are established and operated, whether directly by Developer or by any party contracting with Developer for this purpose (Developer or any such party operating the Telecommunications Services or both being referred to herein as the "Telecommunications Provider"), may include, but shall not be limited by or to, the following:

(i) Every Unit within the Property receiving Telecommunications Services pursuant to the terms of this Article may be subject to a charge, payable per Unit on the first day of each month or quarter in advance of specified dollar amounts for Telecommunications Services, which such dollar amounts are subject to periodic adjustment.

(ii) The Association with respect to each Unit contained therein, may impose assessments for Telecommunications Services fees due and payable as provided for in Article III, Section 4(B)(ii) and may collect the same and remit the amount collected to the Telecommunications Provider.

(iii) Where an Institutional Mortgagee or other Owner of a Unit obtains title to the Unit as a result of the foreclosure of an institutional mortgage, such acquirer of title, its successors and assigns, shall not be liable for the payment of the aforementioned charges pertaining to such Unit which become due prior to acquisition of title in the manner provided above.

(iv) Developer may exclude nonresidential property within the Property from the provisions of this Article III, Section 4(B)(iv) and may further exclude residential property which, in the determination of Developer, has uses for Telecommunications Services inconsistent with the overall design of such services in the Property as a whole.

C. Easement for Telecommunications Services. Developer hereby (i) reserves for itself and its nominees, successors, assigns, affiliates, and licensees, and (ii) grants to each Telecommunications Provider, providing Telecommunications Services to all or a part of the Property pursuant to an agreement between Developer or the Board and such Telecommunications Provider, and for any successors or assigns of any of the foregoing, a perpetual easement, privilege and right in and to, over, under, on and across all of the Property for the purpose of erecting, installing, maintaining, operating and removing any and all equipment or other property associated with the Telecommunications Services.

D. Structures. Notwithstanding anything to the contrary in the Declaration, Developer hereby reserves for itself and for any Telecommunications Providers, and for any successors or assigns of any of the foregoing, the right to erect, install, maintain, operate and remove from the Property, at any time and from time to time, any satellite dish, tower or other such structure or equipment for the purpose of establishing and operating Telecommunications Services.

E. Restoration. Upon the completion of any installation, upgrade, maintenance, repair, or removal of the Telecommunications Systems or any part thereof, each Telecommunications Provider shall restore the relevant portion of the Common Areas and/or any Unit to as good a condition as that which existed prior to such installation, maintenance, repair or removal. Failure by Telecommunications Provider to complete such restoration within ten (10) days after receiving written notice from Developer or the Board of such failure shall vest in Developer or the Board the right (but not the obligation) to restore or cause to be restored such portion of the Common Areas and/or Unit disturbed by such work, all at such Telecommunications Provider's sole cost and expense, except for in emergency situations whereby Developer or the Board may restore or cause to be restored such disturbed portion of the Common Areas and/or Unit. In the event that Developer or the Board exercises the right of self-help, each Telecommunications Provider agrees in advance that Developer or the Board shall have the sole right to (i) select the contractors to perform such work and (ii) determine the extent of required restoration. This remedy of self-help is in addition to all other remedies of Developer or the Board hereunder. All reasonable expenses incurred by Developer or the Board in connection with such restoration shall be paid by Telecommunications Provider within ten (10) days of delivery to Telecommunications Provider of Developer's or the Board's invoice therefor. Any expenses not so paid when due shall bear interest from the due date at the maximum rate of interest allowed by the law of the State of Florida for such obligations, or as provided in any agreement between a Telecommunications Provider and Developer or the Board.

5. Community Control Program.

A. Right to Install. Developer or the Board shall have the right, but not the obligation, to install and/or contract for the installation of a Community Control Program for each Unit within the Property. Prior to the Transfer Date, all contracts for a Community Control Program shall be subject to the prior written approval of Developer. Any contracts or agreements respecting a Community Control Program may provide that Developer receive compensation or approving such contract. Developer or its nominees, successors, assigns, affiliates, and licensees may install such a Community Control Program. Developer reserves the right, at any time and in its sole discretion, to discontinue or terminate any Community Control Program prior to the Transfer Date. In addition, all Owners specifically acknowledge that the Property may have a perimeter Community Control Program, such as fences, walls, hedges, or the like on certain perimeter areas. Developer and the Board shall not be held liable for any loss or damage by reason or failure to provide adequate Community Control Program or ineffectiveness of Community Control Program measures undertaken.

B. No Liability. NEITHER THE ASSOCIATION, HERON BAY COMMUNITY ASSOCIATION NOR THE DEVELOPER SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF THE HEALTH, SAFETY, WELFARE OR SECURITY OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTY, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, ALARM SYSTEM, COMMUNITY CONTROL SYSTEM OR OTHER SECURITY

SYSTEM CANNOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS, OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS LESSEES THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES, HERON BAY COMMUNITY ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES AND DEVELOPER ARE NOT INSURERS AND THAT EACH PERSON USING THE PROPERTY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS, AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.

C. Components. A Community Control System, if installed, may include one or more manned gatehouses, one or more electronic gates, and roving attendants using vehicles. Developer and the Board do not warrant or guaranty in any manner that the system will include these items, but reserve the right to install or provide the foregoing items, or any other items they deem appropriate in their sole and absolute discretion. After the Transfer Date, the Association may expand the Community Control System by a vote of the majority of the Board, without the joinder or consent of the Owners or any third parties. Without limiting the foregoing, Developer and the Board reserve the right to, at any time, increase, decrease, eliminate, or added manned or unmanned gates houses, information booths, sensors, gates and other access monitoring measures as they deem appropriate in their sole and absolute discretion; provided, however no changes shall be made prior to the Transfer Date without the prior written consent of Developer.

D. Part of Association Expenses. If furnished and installed within any Unit, the cost of operating and monitoring any Community Control System will be included in Association Expenses and may be payable as a portion of the Assessments against Owners. Any such Community Control System shall be mandatory for all Owners, regardless of whether or not they utilize the Community Control System or services of such system.

E. Owners' Responsibility. All Owners and Occupants of any Unit, and the tenants, guests and invitees of any Owner, as applicable, acknowledge that the Association, its Board and officers, Developer, their nominees or assigns, or any successor Developer, and the ARC and its members, do not represent or warrant that (a) any Community Control System, designated by or installed according to guidelines established, will not be compromised or circumvented, (b) any Community Control System will prevent loss by fire, smoke, burglary, theft, hold-up, bodily injury or harm or otherwise, and/or (c) the Community Control System will in all cases provide the detection for which the system is designed or intended. In the event that Developer elects to provide a Community Control System, Developer shall not be liable to the Owners or the Association with respect to such Community Control System, and the Owners and the Association shall not make any claim against Developer for any loss that an Owner or the Association may incur by reason of break-ins, burglaries, acts of vandalism, personal injury or death, which are not detected or prevented by the Community Control System. Each Owner and the Association is responsible for protecting and insuring themselves in connection with such acts or incidents. The provision of a Community Control System (including any type of gatehouse) shall in no manner constitute a warranty or representation as to the provision of or level of security within the Property or any Neighborhood contained therein. Neither Developer

nor the Association guarantees or warrants, expressly or by implication, the merchantability of fitness for use of any Community Control System, or that any such system (or any of its components or related services) will prevent intrusions, fires, or other occurrences, regardless of whether or not the Community Control System is designed to monitor the same. Each and every Owner and the occupant of each Unit acknowledges that Developer and the Association, their employees, agents, managers, directors, and officers, are not insurers of Owners or Units, or the personal property located within Units. Developer and the Association will not be responsible or liable for losses, injuries, or deaths resulting from any such events.

6. Not a Condominium. The Association created pursuant to this Declaration and the Articles of Incorporation of the Association is expressly not intended to be a condominium association and is not created in accordance with the Condominium Act. Notwithstanding the foregoing, Declarant may, in its sole and absolute discretion, elect to (i) submit certain Lot(s) to condominium ownership pursuant to the Condominium Act, and (ii) withdraw any portion of the Property from the provisions of this Declaration and submit said portion of the Property to a condominium association in accordance with the Condominium Act. Any such Lots submitted to condominium ownership shall be subject to a Condominium Declaration and to all of the terms, covenants, conditions, restrictions, easements, liens and charges set forth in this Declaration.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

1. Membership. Every Owner shall be a mandatory member of the Association and of the Heron Bay Community Association. Membership shall continue until the Member transfers or conveys its interest in such Lot of record or the interest is transferred by operation of law, at which time the membership shall automatically be conferred upon the transferee. Membership shall be appurtenant to and may not be separated from the ownership of a Lot.

2. Association. Each Owner shall become a member of the Association upon acceptance of a deed to his or her Lot. As a member of the Association, the Owner shall be governed by the Articles and the Bylaws of the Association; and shall be entitled to one (1) vote for each Lot owned. The rights and privileges of membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the Bylaws. The membership rights of a Lot owned by a corporation or partnership shall be exercised by the individual designated by the Owner in a written instrument provided to the secretary of the Association. Such designation shall not be changed more often than once every six (6) months.

3. Heron Bay Community Association. Each Owner becomes a member in the Heron Bay Community Association upon acceptance of a deed to his or her Lot. The rights and privileges of membership are more fully described in the Heron Bay Community Declaration and the Articles and Bylaws of the Heron Bay Community Association.

4. Voting Rights. The Association will have two (2) classes of voting membership:

Class A. Class A Members shall be all those Owners as defined herein with

the exception of Developer (as long as the Class B Membership shall exist, and thereafter, Developer shall be a Class A Member to the extent it would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which such Owner holds the interests required for membership by Article IV hereof. When more than one Person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, in no event shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member shall be Developer. The Class B Member shall be entitled to one (1) vote, plus two (2) votes for each vote which the Class A Members are entitled to cast in the aggregate at any time and from time to time. The Class B membership shall cease and terminate on the Transfer Date whereupon the Class A Members shall be obligated to elect a majority of the Board and assume control of the Association. Upon termination of the Class B membership, Developer shall remain a Class A Member with respect to those Lots which are then still owned by Developer.

ARTICLE V

USE OF PROPERTY

1. Single Family Residence. The Lots shall be used solely as single family residences. Nothing herein shall be deemed to prevent an Owner from leasing a Unit, subject to the terms, conditions, and covenants contained in this Declaration, and the Rules and Regulations adopted by the Association; provided that no such restriction, rule or regulation shall restrict the ability of Developer, or its successors and assigns, from leasing Lots.

2. Use Restrictions. The Board shall have the authority to make and enforce standards and restrictions governing the use of the Properties, in addition to those contained herein. Such regulations and use restrictions shall be binding upon all Owners and Occupants until and unless overruled, canceled or modified in a regular or special meeting of the Association; provided that no such restriction, rule or regulation shall restrict the ability of Developer, or its successors and assigns, from leasing Lots.

A. Occupants Bound. All provisions of the Homeowners Documents and of any Rules and Regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners, and which provide for sanctions against Owners, shall also apply to all Occupants of any Lot.

B. Business Use. The Lots shall be used solely for residential purposes. Nothing herein shall be deemed to prevent an Owner from leasing a Lot, subject to all of the terms, conditions and covenants contained in this Declaration. Except for the leasing of Lots, the Lots shall not be used in any trade, business, professional or commercial capacity. No lease for any Lot shall be for a period of less than six (6) months and must comply with the provisions of Article XVIII herein. Nothing contained herein shall prohibit Developer from carrying on any and all types of sales and construction activity necessary to accomplish the General Plan of Development, including the construction and operation of a construction trailer, sales model and/or office by Developer until all of the Lots have been sold.

C. Nuisance. No Lot shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept in any Lot that will emit a foul or obnoxious odor or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property or to the development as a whole. No illegal, noxious, or offensive activity shall be carried on in any Lot, which would tend to cause a nuisance to any person using any property adjacent to the Lot. There shall not be maintained any plants, animals, devices, or things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Properties.

D. Maintenance of Lots. All Lots shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist. In the event an Owner fails to maintain his Lot as required, for a period of at least ten (10) days, the Association shall have the right, exercisable in its discretion, to clear any rubbish, refuse, or unsightly debris and/or growths from any Lot deemed by the Association to be a health menace, fire hazard or a detraction from the aesthetic appearance of Bay Cove, provided, however, that at least ten (10) days prior notice shall be given by the Association to the Owner of such Lot before such work is done by the Association. In the event the Association, after such notice, causes the subject work to be done, then, and in that event, the costs of such work, together with interest thereon at the maximum rate permitted by the usury laws of the State of Florida, may be charged to the Owner and, as charged, shall become a lien on the Lot, which lien shall be effective, have priority and be enforced pursuant to the procedures set forth in this Declaration.

E. Easements. Except as constructed by Developer or substantially similar replacements thereof, no Unit or material improvement to a Unit shall be built or maintained upon any easement or right-of-way, and said easements and rights-of-way shall at all times be open and accessible to the persons entitled to the use thereof.

F. Laundry. No portion of the Lot shall be used for the drying or hanging of laundry, unless such laundry is screened from public view, so that the laundry is not visible from any Road, from adjoining Lots, or from the golf courses. This provision is not intended to prohibit the drying or hanging of laundry on a Lot.

G. Vehicles. All vehicles must be capable of being garaged and no motorcycle, truck, trailer, boat, van in excess of 17 feet in length, camper, motor home, bus, commercial vehicle of any type (i.e., any vehicle which has any exterior racks, other than factory installed luggage racks; lettering or logo; or has tools or equipment), non-passenger van (i.e. any van which does not have a rear seat and side windows), or similar vehicle shall be parked on any part of the Properties, any driveway, or designated parking space within the Properties except: (1) within a garage, (2) commercial vehicles, vans, or trucks delivering goods or furnishing services temporarily during daylight hours, and (3) upon such portions of the Properties as the Board may, in its discretion, allow. Vehicles over eighty (80") inches in height, or those vans or trucks which do not have windows completely circling the vehicle's exterior (similar to windows around a station wagon), and permanent installed seating for four or more passengers, shall be

considered to be a prohibited van or truck. No vehicle which cannot operate on its own power shall remain on the property for more than twenty-four (24) hours. The Association shall have the right to authorize the towing away of any vehicles in violation of this rule with the costs and fees, including attorneys' fees, if any, to be borne by the vehicle owner or violator.

H. Parking and Garages. Vehicles shall be parked only in the garages or in the driveways on the Lots, or in the appropriate spaces or designated areas in which parking is permitted by the Association. All guests and service personnel shall park only in the Owner's driveway or garage with whom such guest or service personnel is associated, or in visitor parking spaces. All commercial vehicles, limousines, recreational vehicles, trailers, campers, camper trailers, boats, watercraft, motorcycles, trucks and boat trailers must be parked entirely within a garage unless otherwise approved by the Board. No garage shall be used as a living area. No garage shall be altered in such a manner that the number of automobiles which may be parked therein after the alteration is less than the number of automobiles that could have reasonably been parked in the garage as originally constructed.

I. Animals and Pets. No animals shall be raised, bred, or kept in any Lot, except that dogs, cats, or other household pets may be kept in the Lot, provided they are not kept, bred or maintained for any commercial purpose, or in numbers deemed unreasonable by the Board. Notwithstanding the foregoing, no animal may be kept in the Lot, which in the judgment of the Board results in a nuisance or is obnoxious to the residents in the vicinity. No Owner shall be permitted to maintain in his or her Lot a bull terrier (pit bull) or any dog or dogs of mean or of violent temperament or otherwise evidencing such temperament. Pets shall not be permitted in any of the Common Areas unless under leash. Each pet owner shall be required to clean up after his or her pet. Each Owner by acquiring a Lot agrees to indemnify the Association and the Heron Bay Community Association, and hold them harmless against any loss or liability resulting from his or her, his or her family member's, or his or her lessee's ownership of a pet. If a dog or any other animal becomes obnoxious to other Owners by barking or otherwise, the Owner shall remedy the problem, or upon written notice from the Association, he or she will be required to dispose of the pet.

J. Subdivision of Lot. Lots shall not be further subdivided or separated by any Owner; and no portion less than all of any such Lot, nor any easement shall be conveyed or transferred by an Owner; provided, however, that this shall not prevent corrective deeds, deeds to resolve boundary disputes and other similar corrective instruments, and leases for portions of a Lot. Developer, however, hereby expressly reserves the right to subdivide, replat, or otherwise modify the boundary lines of any Lot(s) owned by Developer. Any such division, boundary line change, or replatting shall not be in violation of the applicable municipal subdivision and zoning regulations.

K. Antennas. No exterior antennas, aerials, satellite dishes, or other apparatus for the reception or transmission of television, radio, or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Properties, including any Lot, unless installed by Developer or the Heron Bay Community Association, without the prior written approval of Developer or the Modifications Committee.

L. Energy Conservation Equipment. All solar heating apparatus must conform to the standards set forth in the HUD Intermediate Minimum Property Standards Supplement, Solar Heating, and domestic Water Systems. No solar energy collector panels or attendant hardware or other energy conservation equipment (collectively "Energy Devices") shall be constructed or installed unless and until the plans and specifications have been submitted to and approved by Developer or the Modifications Committee. Energy Devices (i) shall not be placed on the street side portion of a sloped roof, unless approved by the Developer or the Modifications Committee; and (ii) shall be placed to the maximum extent possible to the center or interior of any flat roof and shall have either a roof parapet or some other architectural feature, as approved by Developer or the Modifications Committee, which screens such Energy Devices from view from any location off the Lot. Support structures for such Energy Devices, together with the plumbing and wiring thereto, shall be located and screened so as not to be readily visible from any street or adjacent properties. No solar panel, vents, or other roof-mounted, mechanical equipment shall project more than 1.0 feet above the surface of the roof of a Lot; and all such equipment, other than solar panels, shall be painted consistent with the color scheme of the portion of the Lot to which such equipment is installed. This provision is not intended to prohibit the use of solar energy devices.

M. Windows. All draperies, curtains, shades, or other window coverings installed in a Unit, and which are visible from the exterior of such Unit shall be approved by Developer, the ARC or the Modifications Committee.

N. Signs. No sign, symbol, name, address, notice, or advertisement shall be inscribed or exposed on or at any window or other part of a Lot or Common Areas without the prior written approval of the Board. The Board or Developer shall have the right to erect signs as they, in their sole discretion, deem appropriate, subject to approval by Developer, the ARC or the Modifications Committee which shall not be unreasonably withheld. For Sale signs may be posted in a standard manner. Such standard may be reasonably and more specifically determined by the Board.

O. Hurricane Season. Each Lot Owner who intends to be absent from his Lot during the hurricane season (May 1 - November 30 of each year) shall prepare his Lot prior to his departure by doing the following:

(i) Removing all furniture, potted plants, and other movable objects from his yard, patio, and deck;

(ii) Designating a responsible person or firm, satisfactory to the Association, to care for his Lot should it suffer hurricane damage. Such person or firm shall also contact the Association for permission to install temporary hurricane shutters, which must be removed when no longer necessary for storm protection. At no time shall hurricane shutters, other than shutters installed by Developer, be permanently installed, without the consent of Developer, the ARC or the Modifications Committee; and

(iii) If approved by Architectural Review Committee or the Modifications Committee, temporary or permanent exterior shutters may only be closed during a storm event or when a storm event is imminent. A "storm event" is defined as a meteorological event in which winds in excess of 20 mph or rainfall has occurred, or is expected to occur, within 12 hours.

P. Lighting. Except for seasonal Christmas decorative lights, which may be displayed between December 1 and January 10 only, all exterior lights must be approved by Developer, the ARC or the Modifications Committee.

Q. Fences. All fences on any Lot must be approved in writing by Developer, the ARC or Modifications Committee. All fences shall have gates and gates shall have no locks unless the Association is provided with a key to such gate.

R. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Properties. Exterior sculpture, fountains, flags, and similar items must be approved by Developer, the ARC or the Modifications Committee.

S. Irrigation. Developer shall install a sprinkler system serving each Lot; with all irrigation water to be provided by the NSID. Lots shall be individually and separately metered and maintained and costs therefor paid individually by each Lot Owner. In addition, Developer and the Association reserve the right to install an effluent irrigation system to the property for the irrigation of the Lots and Common Areas. If installed, every Lot must participate in the use of such effluent irrigation system. Except for sprinkler or irrigation systems installed by Developer, no sprinkler or irrigation systems of any type which draw water from lakes, rivers, ponds, canals or other surface waters within the Properties shall be installed, constructed or operated within the Properties unless prior written approval from Developer, the ARC or the Modifications Committee has been obtained. Notwithstanding the foregoing, after obtaining all required governmental permits and authorizations, each Owner may at his sole expense, install a well on the Lot for irrigation purposes. Such well must include the use of a rust inhibitor prohibiting discoloration of landscaping, sidewalks, walls and buildings. Prior to the installation of such well, the Owner shall obtain all required permits and shall comply with all regulations of the City, NSID or any other governmental agency. Any damages to the Lot resulting from an Owner's failure to comply with the terms set forth herein shall be the sole responsibility of such Owner and neither Developer, the Association, nor Heron Bay Community Association shall be liable for the same.

Furthermore, each Owner understands that as provided in this Declaration, an Owner may be permitted to install a private fence, patio, and/or screened enclosure ("Improvement") on the Lot upon the prior written approval of the Board. Before the Board approves the installation of an Improvement, the irrigation system that will be within the Improvement portion of that Unit must be rerouted, if necessary, by a professional irrigation company. In order for the Board to approve the Improvement installation, a letter or other evidence by a professional irrigation company must be given to the Board at least ten (10) days before the Improvement installation stating that the effectiveness of the Bay Cove drainage system will not be affected by the

rerouting of the irrigation system. Should an Owner install the Improvement without providing the necessary letter or other evidence from a professional irrigation company in advance as required herein, then the Association may conduct the necessary inspection, repair any necessary drainage facilities and the costs of such work, together with interest thereon, may be charged to the Owner and, as charged, shall become a lien on the Lot.

T. Drainage Systems. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person, other than Developer, the Heron Bay Community Association, the NSID, or the South Florida Water Management District, may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Developer and Heron Bay Community Association hereby reserve a perpetual easement across the Properties for the purpose of altering drainage and water flow. Septic systems are prohibited on the Property.

U. Tree Removal, Upland Preservation Requirements. No trees shall be removed from a Lot, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by Developer, the ARC or the Modifications Committee. Each Owner acknowledges and agrees that portions of the Property (including portions of some Lots) have been designated as upland preservation areas. Within such areas, Owners may not plant, disturb or remove any vegetation, or otherwise make any improvements thereto without the prior written approval of Developer, the ARC or the Modifications Committee and the County. If any Owner violates this covenant, such Owner shall be responsible for all costs incurred by the Association in mitigating such tree removal or disturbance of any upland preservation area (including any fines levied by the County or any other governmental authority), which cost may be recovered from such Owner by a Default Assessment.

V. Sight Distance. All property located at street intersections shall be landscaped so as to permit safe sight across street corners. No fence, wall, hedge, shrub or planting shall be placed or permitted to remain where it would create a traffic or sight problem.

W. LAKES AND WATER BODIES. ALL LAKES, PONDS, AND STREAMS WITHIN THE PROPERTIES, IF ANY, SHALL BE AESTHETIC AMENITIES ONLY, AND NO OTHER USE THEREOF, INCLUDING, WITHOUT LIMITATION, FISHING, BOATING, SWIMMING, PLAYING, OR USE OF PERSONAL FLOTATION DEVICES, SHALL BE PERMITTED.

LAKES, SWALES AND WATERBODIES, WHETHER MAN-MADE, ALTERED OR NATURAL, ARE PART OF OR CONTRIBUTE TO THE WATER MANAGEMENT SYSTEM. RAINFALL AND GROUNDWATER ELEVATIONS MAY AFFECT THE DEPTH OF WATERBODIES FROM DRY TO DEEP, AND THE MAINTENANCE OF A PARTICULAR WATER LEVEL IS NOT THE RESPONSIBILITY OF THE ASSOCIATION, NSID, DEVELOPER OR THE HERON BAY COMMUNITY ASSOCIATION. DEPTHS OF LAKES, SWALES AND WATERBODIES MAY BE DECEIVING. DUE TO DESIGN, CONSTRUCTION, GROUNDWATER LEVELS AND OTHER CONDITIONS, BOTTOMS AND EMBANKMENTS MAY VARY IN THE ANGLE

OF SLOPE, WITH THE RESULTING POSSIBILITY OF STEEP DROP-OFFS TO DEEP WATER LEVELS.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY HABITAT OR ENTER INTO WATERBODIES WITHIN OR NEARBY THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT OR INSURE AGAINST ANY DEATH, INJURY, OR DAMAGE CAUSED BY SUCH WILDLIFE.

ALL PERSONS, OWNERS, MORTGAGEES AND ALL OF THEIR INVITEES AND LICENSEES AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE PROPERTIES (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) ARE HEREBY PUT ON NOTICE OF THESE CONDITIONS OF THE PROPERTIES, NATURAL, ALTERED AND MAN-MADE, AND BY ENTERING THE PROPERTIES OR ACQUIRING ANY INTEREST IN ANY PART OF THE PROPERTIES, ACKNOWLEDGE THE NECESSARY EXISTENCE OF THESE CONDITIONS WHICH, UNDER CERTAIN CIRCUMSTANCES, MAY BE HAZARDOUS AND ASSUME THE RISK OF INJURY OR DAMAGE AS A RESULT THEREOF. NEITHER DEVELOPER, ASSOCIATION NOR HERON BAY COMMUNITY ASSOCIATION SHALL HAVE A DUTY TO PROTECT ANYONE FROM THE CONSEQUENCES OF CONTACT WITH THESE CONDITIONS. EACH OWNER BY ACCEPTANCE OF A DEED TO ANY LOT OR UNIT ACKNOWLEDGES AND KNOWINGLY ASSUMES THE RISK OF PERSONAL OR PROPERTY DAMAGE ARISING FROM CONDITIONS OF THE PROPERTIES, WHETHER NATURAL, ALTERED OR MAN-MADE AND EACH OWNER HEREBY WAIVES AND RELEASES DEVELOPER, ASSOCIATION, HERON BAY COMMUNITY ASSOCIATION, AND NSID, AND ANY GUEST, EMPLOYEE, LICENSEE, INVITEE, DIRECTOR, PARTNER OR OFFICER OR MORTGAGEE OF ANY SUCH PARTIES FROM ANY AND ALL ACTION, CAUSE, SUIT, RECKONING, CLAIM OR DEMAND WHATSOEVER, IN LAW OR IN EQUITY, AS A RESULT OF PROPERTY DAMAGE OR PERSONAL-INJURY TO SUCH OWNER, OWNER'S GUESTS, EMPLOYEES, LICENSEES OR INVITEES CAUSED BY CONDITIONS OF THE PROPERTIES, WHETHER NATURAL, ALTERED OR MAN-MADE OR ANY SPECIES OF ANIMAL, REPTILE OR OTHER ANIMATE OR INANIMATE OBJECT.

ALL OWNERS AND USERS OF ANY PORTION OF ANY PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATERBODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF SUCH PROPERTY, TO HAVE AGREED TO HAVE RELEASED THE LISTED PARTIES FROM ALL CLAIMS FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

X. BLASTING ACTIVITIES. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTY ARE HERE, BY PLACED ON NOTICE THAT DEVELOPER AND ADJACENT LAND OWNERS (AND THEIR AGENTS, CONTRACTORS,

SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES) WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE PROPERTY. EACH OWNER OF A LOT BY ACCEPTANCE OF A DEED THERE FOR, WHETHER OR NOT IT SHALL BE SO EXPRESSED IN SUCH DEED OR OTHER CONVEYANCE, AND EACH OCCUPANT AND USER OF THE PROPERTY, AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES: (a) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW; (b) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY LAND WITHIN OR IN PROXIMITY TO THE PROPERTY WHERE, SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS); (c) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORE, SAID ACTIVITIES; (d) ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING; AND (e) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DEVELOPER TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE PROPERTY.

Y. Recreational Facilities. All recreational facilities, swimming pools, picnic areas, clubhouses, cabanas and playgrounds furnished by the Heron Bay Community Association or the Association, if any, or erected within the Properties, if any, shall be used at the risk of the user, and neither the Association nor the Heron Bay Community Association shall be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof. Each Owner further acknowledges that swimming pools may not have lifeguards, and that anyone swimming in such pools does so at his/her own risk.

Z. Golf Balls. Each Owner by acceptance of a deed to any Lot acknowledges and knowingly assumes the risk of personal or property damage arising from errant golf balls as a consequence of occupying or building improvements on a Lot on or near a golf course and each Owner hereby waives and releases Developer, the Association, the Heron Bay Community Association, the owner(s), operator(s) or lessee(s) of any adjacent golf course, and any guest, employee, licensee, invitee, director, partner, officer or mortgagee of any of such parties from any and all action, cause, suit, reckoning, claim or demand whatsoever, in law or in equity, as a result of property damage or personal injury to such Owner, Owner's guests, employees, licensees or invitees caused by an errant golf ball or otherwise attributable to the use, operation, design or maintenance of the golf course.

AA. Rules and Regulations. The Owners shall abide by each and every Rule and Regulation promulgated from time to time by the Board. The Board shall give an Owner and Occupants in violation of any of the Rules and Regulations of the Association, written notice of the violation by U.S. Certified Mail, return receipt requested, and a maximum of fifteen (15)

days in which to cure the violation or such shorter period as provided herein. Should the Association be required to seek enforcement of any provision of this Declaration or the Rules and Regulations and prevail in such action, then the offending Owner or Occupant (for himself or for his family, guests, invitees, or lessees) shall be liable to the Association for all costs incurred in the enforcement action, including reasonable attorneys' fees, whether incurred in trial or appellate proceedings or otherwise as a Default Assessment. The provision shall not modify, limit or abridge any of the rights of Developer under this Declaration.

BB. Heron Bay Community Association Rules and Regulations. The Owners and Occupants shall abide by each and every rule and regulation promulgated from time to time by the Heron Bay Community Association. The Board of Directors of the Heron Bay Community Association shall give an Owner or Occupant in violation of the rules and regulations of the Heron Bay Community Association in accordance with the Heron Bay Community Declaration. Should the Heron Bay Community Association be required to seek enforcement of any provision of this Declaration or the Rules and Regulations and prevail in such action, then the offending Owner or Occupant (for himself or for his family, guests, invitees, or lessees) shall be liable to the Heron Bay Community Association for all costs incurred in the enforcement action, including reasonable attorneys' fees, whether incurred in trial or appellate proceedings or otherwise.

ARTICLE VI

COMMON AREAS

1. Common Areas Generally. NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, THE DEFINITIONS OF "COMMON AREAS" AS SET FORTH IN THIS DECLARATION ARE FOR DESCRIPTIVE PURPOSES ONLY AND SHALL IN NO WAY BIND OR OBLIGATE TO CONSTRUCT OR SUPPLY ANY SUCH ITEM AS SET FORTH IN SUCH DESCRIPTION. FURTHER, NO PARTY SHALL BE ENTITLED TO RELY UPON SUCH DESCRIPTION AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON AREAS TO BE OWNED, LEASED BY OR DEDICATED TO THE ASSOCIATION, EXCEPT AFTER CONSTRUCTION AND DEDICATION OR CONVEYANCE OF ANY SUCH ITEM. In addition, the following provisions shall be applicable to the Common Areas.

2. Establishment of Common Areas Declarant may in its sole discretion, establish Common Areas for recreational, maintenance, utilities, access, ingress, egress, or other purposes. The Common Areas shall be only that property designated as such by Declarant in this Declaration, an amendment, deed conveying the Common Areas to the Association or other written instrument recorded in the Public Records of Broward County, Florida, including any improvements and fixtures thereon, owned by, leased to, or the use of which has been granted to the Association as set forth in this Declaration or a Subsequent Amendment. Prior to the conveyance, identification and/or dedication of the Common Areas to the Association, any portion of the Common Areas owned by Declarant shall be operated, maintained, and administered at the sole cost of the Association for all purposes and uses reasonably intended, as Declarant in its sole discretion deems appropriate. During such period, Declarant shall own, operate, and administer the Common Areas without interference from any Owner or Lender of a

Unit or any other person or entity whatsoever. Owners shall have no right in or to any Common Areas referred to in this Declaration unless and until same are actually constructed, completed, and conveyed to, leased by, dedicated to, and/or maintained by the Association. THE CURRENT CONCEPTUAL PLANS AND/OR REPRESENTATION, IF ANY REGARDING THE COMPOSITION OF THE COMMON AREAS ARE NOT A GUARANTEE OF THE FINAL COMPOSITION OF THE COMMON AREAS. DECLARANT HAS NO OBLIGATION OR RESPONSIBILITY TO CONSTRUCT OR SUPPLY ANY SUCH COMMON AREAS OF THE ASSOCIATION, AND NO PARTY SHALL BE ENTITLED TO RELY UPON ANY STATEMENT CONTAINED HEREIN AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON AREAS TO BE OWNED, LEASED BY, OR DEDICATED TO THE ASSOCIATION. DECLARANT, SO LONG AS IT CONTROLS THE ASSOCIATION, FURTHER SPECIFICALLY RETAINS THE RIGHT TO ADD TO, DELETE FROM, OR MODIFY ANY OF THE COMMON AREAS REFERRED TO HEREIN.

3. Title to Common Area. Developer shall not be required to convey title to the Common Area or any portion thereof to the Association until the Transfer Date, although Developer may elect to do so prior to the Transfer Date in its sole and absolute discretion. Notwithstanding the manner in which title is held, the Association shall be responsible for the management, maintenance, and operation of the Common Areas, (excepting only such portions of the Common Areas which may be subject to express easements which may provide for the maintenance of such portions of the Common Areas to be provided by the easement grantee), and for the payment of all real estate taxes and other assessments which are liens against the Common Area, from and after the recording of this Declaration. On or before the Transfer Date, Developer shall convey the Common Areas to the Association by quitclaim deed. Developer shall not be required to provide any title insurance or other related title documents to the Association in connection with the conveyance of the Common Areas. The Association shall accept the Common Areas in "AS IS", "WHERE IS" condition with all faults.

4. Annexation of Additional Property. The Association shall have the power and authority to acquire and annex to the Common Areas other interests in real and personal property as it may deem beneficial to the Members. Any property acquired pursuant to this section shall be annexed to the Common Areas by means of a Subsequent Amendment recorded in the public records of the County.

5. Rules and Regulations Governing Use of Common Areas. The Board shall promulgate Rules and Regulations governing the use of the Common Areas. Such Rules and Regulations, and all provisions, restrictions, and covenants as now or hereinafter provided, including, without limitation, all architectural and use restrictions contained in this Declaration and in the Heron Bay Community Declaration may be enforced by legal or equitable action as provided herein or therein.

6. Traffic Regulation. The Board shall have the right to post motor vehicle speed limits throughout the Common Areas, and to promulgate other traffic regulations, including parking regulations, towing illegally parked vehicles, maintaining emergency vehicle access to each Unit and marking or signing areas adjacent to fire hydrants or other fire connections to prohibit blocking access thereto. The Board may also promulgate rules and procedures for the

enforcement of the traffic regulations, including, without limitation, the assessment of fines against Owners who violate the traffic regulations and against Owners whose family members, guests, invitees, licensees, employees, or agents violate the traffic regulations. The fines shall be collected in the same manner as a Default Assessment which shall be a lien on such Owner's Lot in accordance with the Declaration. Before any fine shall be effective, the Owner shall be entitled to notice and an opportunity to be heard before the Board.

7. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE VII

EASEMENTS

1. Easements for all Owners. Developer hereby grants a perpetual, non-exclusive easement to the Association and to the Lot Owners, their families, guests, invitees, licensees and lessees upon, over, and across the sidewalks, walkways, rights-of-way and other Common Areas for use in accordance with this Declaration and any Rules and Regulations promulgated by the Association. Developer hereby grants an additional perpetual non-exclusive easement to the Association over, across, through, and under all portions of the Property for the purpose of performing its obligations under this Declaration including the maintenance and repair requirements of the Association as described in this Declaration.

The Owner of each Unit shall have an easement of access over and upon adjoining Lots and the Common Areas for the purpose of allowing such Owner to (i) paint the exterior of the Owner's Unit and wall; (ii) construct or repair a Unit in the event of loss or destruction; (iii) maintain, repair and replace air-conditioning compressors, air-conditioning equipment, meters and other equipment servicing such Lot which may be located on such adjoining Lots and/or the Common Areas; and (iv) access the front of the Lot from the back of the Lot in case of an emergency such as fire or windstorm.

Easements are reserved over each Lot and the Common Areas in favor of each other Lots and the Common Areas in order to permit drainage and run-off from one Lot to another or to the Common Areas, or from the Common Areas to any Lot(s).

2. Easements for Utilities. Developer hereby also grants a perpetual non-exclusive easement to all utility or service companies servicing the Property upon, over, across, through, and under the Common Areas and such other portions of the Property on which utility facilities may be located for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to, water, irrigation, sewer, gas, telephone, electricity, Telecommunications Systems, security systems, or any other communication lines and systems. It shall be expressly permissible for Developer or the providing utility or service company to install and maintain facilities and equipment on said Property, to excavate for such purposes and to affix and maintain wires, circuits and conduits on, in and under the Common Areas, providing such company restores any disturbed area

substantially to the condition existing prior to their activity; provided, however, that no utility service line or system may be installed or relocated within the Common Areas without the consent of the Association.

3. Easements for Drainage Facilities. Developer hereby grants to the Association easements for the installation and maintenance of drainage facilities in, on, over and across that certain portion of the Property as shown on the Plat Exemption of Bay Colony, approved by the City of Coral Springs for such purposes. Within these easement areas, no structure, planting or other material (other than sod), which may interfere with such installation and maintenance, or which may obstruct or retard the flow of water through drainage channels shall be placed or permitted to remain unless such structure, planting or other material was installed by Developer. The Association, the Heron Bay Community Association and NSID shall have access to all such drainage easements for the purpose of operation and maintenance thereof.

4. Easements for Encroachments. Developer hereby grants to the Association an easement for encroachments in the event any improvements upon the Common Areas now or hereafter encroaches upon a Lot. Developer hereby grants to such Lot Owner an easement for encroachments in the event that the Unit on such Lot now or hereafter encroaches upon the Common Area or any other Lot (including without limitation the roof overhang and the exterior walls) as a result of minor inaccuracies in survey, construction, reconstruction, or due to settlement or movement or otherwise for as long as such encroachment exists. The encroaching improvements shall remain undisturbed as long as the encroachment exists. These easements for encroachment shall also include an easement for the maintenance and use of the encroaching improvements; provided, however, that at no time shall there be any encroachment onto the surface water management systems or drainage facilities, without the written consent of the Association, NSID, and the South Florida Water Management District. Notwithstanding the preceding provision, no easement for encroachment shall exist as to any encroachment occurring due to the willful conduct of an Owner. The Association is granted an easement over each Lot for the purpose of enforcing the provisions of this Declaration and may go upon such Lot to remove or repair any existing cause of a violation of the Declaration. In the event that the Association, after notice to the Owner and a hearing in Accordance with Article X hereof and failure to cure by the Owner, does, in fact exercise its right to cure said defect, then all costs incident to said action by the Association shall become the personal obligation of the Owner and be imposed as a Default Assessment.

5. Easements to Heron Bay Community Association. The officers, agents, employees, and independent contractors of the Heron Bay Community Association shall have a nonexclusive easement to enter upon any portion of the Common Areas for the purpose of performing or satisfying the duties and obligations of the Heron Bay Community Association, as set forth in the Articles and Bylaws of the Heron Bay Community Association.

6. Easements to Institutional Mortgagees. Easements are hereby granted to all Institutional Mortgagees for the purpose of access to the property subject to its mortgage.

7. Easements to Developer. Easements are hereby reserved throughout the Common Areas, including without limitation, the Roads located on the Common Area and the easements shown on the Lot Plan of Bay Cove, for the reasonable use of Developer, and the reasonable use

of its agents, employees, licensees and invitees, for all purposes, including, without limitation, the sale of all Lots within the Property.

8. Changes in Boundaries; Additions to and Easements Over Common Areas. Developer reserves the right to change and realign the boundaries of the Common Areas, and any Lots owned by Developer, including the realignment of boundaries between adjacent Lots owned by Developer.

9. Easements for Association and Heron Bay Community Association. There is hereby reserved a general right and easement for the benefit of the Association and the Heron Bay Community Association, their respective directors, officers, agents and employees, including, but not limited to, any manager employed by the Association or the Heron Bay Community Association and any employees of such manager, to enter upon any Lot or Unit or any portion thereof in the performance of their respective duties, and to provide lawn maintenance for the front, rear and sideyards of the Lots. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner or Occupant of the Lot or Unit directly affected thereby. Notwithstanding the above, no advance notice or permission from the Owner(s) or Occupant(s) of a Lot or Unit shall be required in the exercise of the Association's or the Heron Bay Community Association's obligations under Article VIII of this Declaration provided same is performed during normal business hours.

ARTICLE VIII

MAINTENANCE

1. Association's Responsibility.

A. Common Areas. The Association shall maintain and keep in good repair the Common Areas as described in this Declaration. The maintenance of the Common Areas shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all planting and sodding of Common Area road rights-of-way; all perimeter planting and sod; right-of-way, perimeter, and other Association personal property, such as irrigation facilities and pumps; all Roads within the Common Areas, which are not publicly dedicated and maintained; all road and identification signage; drainage easements and other easements; drainage facilities and water control structures; sidewalks located within rights-of-ways; sod, landscaping and other flora located on the Common Areas; and other structures and improvements situated upon the Common Area. The cost to the Association of maintaining the Common Areas shall be assessed equally among the Owners, as part of the Association Expenses pursuant to the provisions of this Declaration.

B. Yard Maintenance and Public Property. The Association may maintain property which it does not own, including, without limitation, property dedicated to the public and the mowing of front, rear and sideyards of the Lots. Lot Owners shall be responsible for all landscaping, irrigation and irrigation systems on such Owner's Lot. In the event the Lot Owner fails to maintain the irrigation system on a Lot and damage occurs to the yard or landscaping as a result, the Association may restore the yard and/or landscaping and all costs and expenses

incurred in connection with such restoration may be assessed against such Owner(s) and the appropriate Lot and Unit and shall become a Default Assessment in accordance with the terms of this Declaration. The cost to the Association of the yards of the Lots, and maintenance of property dedicated to the public shall be shared equally among the Lot Owners and assessed as annual Assessments, as part of the Association Expenses pursuant to the provisions of this Declaration. This provision is not intended to make the Association the insurer of any Lot. Landscaping in buffer areas or Common Areas shall not be altered or removed by any Lot Owner without prior consent of the Developer or Association. In the event the landscaping on any Lot is changed, altered, reduced or supplemented in violation of the landscape plan approved by Developer, the Association may restore the landscaping on such Lot such that it is in compliance with the approved landscape plan and all costs and expenses incurred by the Association in connection with such restoration may be assessed against such Owner(s) and the appropriate Lot and Unit shall become a Default Assessment in accordance with the terms of this Declaration. The Owner(s) or Occupant(s) of any Lot shall cooperate with the Association in connection with the performance of its obligations under this Section. The Association and Developer shall not be liable for injury or damage to any person or property (A) caused by the elements or by any Owner or any other person, (B) caused by or resulting from any failure to maintain or improper maintenance of any landscaping on any Lot, or (C) resulting from any rain, drought or other surface water which may leak, plumbing, drain, conduit, appliance, equipment, security system or utility line or facility, the responsibility for the maintenance of which is that of the Association or Developer.

2. Owner's Responsibility. All maintenance activities not specifically undertaken by the Association as described above shall be the responsibility of each Owner who shall maintain his or her own Lot, and the landscaping, shrubs, trees, structures, driveway, sidewalks, and other improvements comprising the Unit in a manner consistent with the Community-Wide Standard and all applicable covenants. No Owner shall make any changes to the landscaping or irrigation system on or adjacent to his/her Lot without the prior approval of Developer, the ARC or the Modifications Committee. If Developer or the Modifications Committee approves any changes, the Owner shall be solely responsible for all installation, maintenance and repair costs relating to such changes.

3. Damage. If a Unit is damaged solely by the negligent or willful misconduct of a Owner, or its guests, licensees, invitees, or lessees, any expense to repair or reconstruct the Unit shall be borne solely by such Owner. If a Unit is damaged through an act of God or suffers some other casualty loss, the affected Owner shall promptly have such Unit repaired and rebuilt substantially in accordance with the original architectural plans and specifications of the Unit building, subject to the approval procedures of Developer, the ARC or the Modifications Committee (as appropriate) set forth herein. If the Owner refuses or fails to pay the cost of such repair or reconstruction, or if insurance proceeds are insufficient to repair or rebuild the affected Unit(s), the Association shall have the right to specially assess all Owners of the Association for the costs of such repair and re-construction, and the Association shall thereafter have the right to complete such repair and reconstruction substantially in accordance with the original plans and specifications of the affected building. If the Owners are specially assessed in accordance herewith, the Association shall have the right to lien the repaired or reconstructed Unit for a reimbursement of all expenditures of the Association in connection with the repair or reconstruction, including without limitation all repair or reconstruction costs, interest, costs,

professional fees. Upon payment and satisfaction of such a lien, the reimbursement of such costs and fees shall be added to the capital contribution funds of the Association. The assessment and collection of such assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Default Assessments.

4. Modifications. No Owner shall authorize the painting, refurbishing or modification of the exterior surfaces of his Unit without the prior written consent of Developer, the ARC or the Modifications Committee. A Unit Owner may perform cleaning, repainting or refinishing of his Unit at his own expense with the prior written consent of Developer, the ARC or the Modifications Committee (as appropriate).

5. Failure to Maintain. In the event an Owner shall fail to maintain a Lot or Unit as provided herein, the Association, after notice to the Owner, shall have the right to enter upon any Lot to repair, maintain and restore the Unit and any other improvements erected thereon. All costs related to such correction, repair or restoration shall become an Default Assessment against such Lot; provided, however, except when entry is required due to an emergency situation, the Association shall afford the Owner reasonable notice and an opportunity to cure the failure to maintain in accordance with Article X hereof prior to entry.

ARTICLE IX

ASSESSMENTS

1. Creation of Lien and Personal Obligation for Assessments. Developer, for each Lot owned within the Property, hereby covenants, and each Owner of a Lot, by accepting a deed for the Lot, is deemed to covenant to pay to the Association: (A) Assessments to fund Association Expenses for the benefit of all Members of the Association; (B) Special Assessments for capital improvements and other purposes as stated in this Declaration; and (C) Default Assessments which may be assessed against a Lot pursuant hereto for the Owner's failure to perform an obligation under the Homeowners Documents or because the Association has incurred an expense on behalf of the Owner under the Homeowners Documents. All Assessments, together with fines, interest, costs, reasonable attorneys' (and legal assistants') fees and other expenses, will be a charge on the Lot, and will be a continuing lien upon the Lot against which each such Assessment is made until paid. Each such Assessment, together with fines, interest, costs, reasonable attorneys' (and legal assistants') fees and other expenses, will also be the personal and individual obligation of the Owner of such Lot as of the time the Assessment falls due, and two or more Owners of a Lot will be jointly and severally liable for such obligations. Suit to recover a money judgment for unpaid Assessments and related charges as listed above may be maintained without foreclosing or waiving the Assessment lien provided in this Declaration.

2. Annual Assessments for Association Expenses.

A. Computation of Assessments. It shall be the duty of the Board, prior to the beginning of the fiscal year, to prepare a budget ("Budget") covering the estimated costs of operating the Association during the coming year. The Budget shall include and shall separately list Association Expenses. The Board shall cause a copy of the Budget and the amount of Assessments to be levied against each Lot for the following year to be delivered to each Owner

at least thirty days prior to the end of the current fiscal year. There shall be no obligation to call a meeting for the purpose of considering the Budget except on petition of the Members as provided for special meetings in the Bylaws. Notwithstanding the foregoing, however, in the event the proposed Budget is disapproved or the Board fails for any reason so to determine the Budget for any year, then and until such time as a Budget shall have been determined as provided herein, the Budget and Assessments in effect for the immediately preceding year shall continue for the current year.

B. The Budget shall include, without limitation, the following listed line items:

(i) Maintenance, repair and replacement. All expenses necessary to meet the Association's responsibilities under this Declaration, including but not limited to the mowing of lawns on Lots and Common Areas in accordance with the requirements of this Declaration.

(ii) Utility Charges. All charges levied for utility services to the Common Areas, whether supplied by a private or public firm including, without limitation, all charges, if any, for water, gas, electricity, telephone, sewer and any other type of utility or service charge.

(iii) Bulk Alarm Assessments. Any charges, including, without limitation, sales tax, for alarm services provided to Units. Notwithstanding the foregoing, all equipment and related items to Bulk Alarm Assessments shall be maintenance expenses of each Owner.

(iv) Bulk Cable Assessments. Any charges, including, without limitation, sales tax and franchise fees, for cable services provided to Units.

(v) Insurance. The premiums on any policy or policies of insurance required under this Declaration, together with the costs of such other policies of insurance, as the Board shall determine to be in the best interest of the Association. Nothing contained herein is intended to require that the Association insure any Unit or Lot from any liability or casualty risk.

(vi) Taxes and Assessments. All taxes and assessments levied or assessed upon the Common Areas, if any, by any and all taxing authorities, including all taxes, charges and assessments, imposition and liens for public improvements, special charges and assessments and all assessments imposed by NSID; and, in general, all taxes on personal property and improvements which are now and which hereinafter may be placed in the Common Area, including any interest penalties and other charges which may accrue on such taxes.

(vii) Miscellaneous Expenses. The costs of administration for the Association, including any secretaries, accounting service, bookkeepers, or employees necessary to carry out the obligations and covenants of the Association

under the Declaration, including the collection of sums owed by a particular Lot or Owner. The Association may retain a managing company or contractors to assist in the operation of the Association and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of the Association Expenses. In the event Developer provides such management services, Developer may charge the Association a management fee not to exceed of the Budget.

(viii) Indemnification. The costs to the Association to indemnify and save harmless the Heron Bay Community Association and Developer from and against any and all claims, suits, actions, damages and/or causes of action arising from any personal injury, loss of life and/or damage to property in or about the Common Areas, if any, from and against all costs, counsel fees, expenses, liabilities occurring in and about such claim, the investigation thereof, or the defense at any level of any action or proceeding brought which may enter therein. Included in the foregoing provisions for indemnification are any expenses the Heron Bay Community Association and Developer may be compelled to incur and bring suit for the purposes of enforcing rights thereunder, or for the purpose of compelling the specific enforcement of the provisions, conditions, covenants and restrictions, contained in this Declaration or the Heron Bay Community Declaration to be kept and performed by the Association and/or the Owners, including the payment of Association Expenses. Included also is the cost to the Association to indemnify its Board, committee members, and officers for all costs and expenses whatsoever incurred in pursuance of their duties, obligations and functions hereunder. Nothing in the provisions of this subparagraph shall require any Institutional Mortgagee to pay the Association Expenses or portion thereof attributable to costs of the Association to indemnify and save harmless Developer in accordance with such paragraph. Any such Association Expense shall be reallocated amongst the Owners and not the Institutional Mortgagees.

(ix) Reserve funds. The costs to establish an adequate reserve fund for replacement and/or capital refurbishment of the Common Areas and the payment of other common expenses in the amounts determined proper and sufficient by the Board, if any. Each Owner acknowledges, understands and consents that any reserves are the exclusive property of the Association as a whole, and that no Owner shall have any interest, claim or right to any reserves or funds composed of the same. The Association shall be responsible for maintaining the reserve funds in a separate reserve account and to use such funds only for capital costs and expenses as aforesaid.

C. Apportionment of Assessments for Association Expenses. Each Owner will be responsible for Owner's share of the Association Expenses, which will be divided equally among the Lots submitted to this Declaration from time to time. Accordingly, at any given time, an Owner's share of Association Expenses will be determined as a fraction, the numerator of

which is the number of Lots owned by the Owner, and the denominator of which is the number of Lots then platted and submitted to the Declaration.

D. Collection. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual Assessment for delinquent Members. Unless the Board otherwise provides, the Assessments shall be payable not less frequently than quarter-annually in advance on the first day of January, April, July, and October. The omission or failure of the Association to fix the Assessments for any Assessment period will not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same.

E. Date of Commencement of Assessments. The annual Assessments provided for herein shall commence as to each Unit at the time that a certificate of occupancy is issued for the Unit by the appropriate governmental authority. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual Assessment shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on a Unit.

3. Heron Bay Community Assessments. Each Owner of a Lot, by accepting a deed for the Lot, is deemed to covenant to pay assessments to the Heron Bay Community Association as provided in the Heron Bay Community Declaration and the Articles and Bylaws of Heron Bay Community Association. The Heron Bay Community Association assessments shall be paid by the Owners to the Heron Bay Community Association.

4. Special Assessments.

A. Determination by Board. The Board may levy in any fiscal year one or more special assessments (each a "Special Assessment"), applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto; the cost of replacing any landscaping materials severely damaged or destroyed by any casualty; or, after adopting an annual budget to make up any shortfall in the current year's budget. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

B. Apportionment and Collection of Special Assessments. The Board will apportion Special Assessments equally among the Lots and collect payment according to the same guidelines as set forth for Annual Assessments for Association Expenses.

C. Notice. Notice of the amount and due dates for such Special Assessments must be sent to each Owner at least 30 days prior to the due date.

5. Capital Contributions. Upon acquisition of record title to a Lot from Developer, each Owner will contribute to the capital of the Association an amount equal to One Hundred Dollars

(\$100.00) ("Capital Contribution"). The Association will allocate the Capital Contributions to a working capital account to meet unforeseen expenditures, to make necessary repairs or replacements, or to acquire additional equipment or services for the benefit of the Members. Such payments to this fund will not be considered advance payments of Annual Assessments. Notwithstanding anything contained herein to the contrary, the Capital Contribution shall not be used for operating funds or by the Association for the purpose of litigation at either the trial and appellate levels in any court of competent jurisdiction. The Capital Contribution shall be paid by the Owners, other than Developer, to the Association in addition to any other regular or special assessment. Capital Contributions shall only be paid once for each Lot in the Property at the time of conveyance of title by Developer.

6. Default Assessments. All monetary fines, penalties, interest or other charges or fees (excluding assessments for Association Expenses and Special Assessments) levied against an Owner pursuant to the Homeowners Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Homeowners Documents, and any expense (including without limitation attorneys' and legal assistants' fees) incurred by the Association as a result of the failure of an Owner to abide by the Homeowners Documents, constitutes a "Default Assessment", enforceable as provided in this Declaration.

7. Certificate of Payment. The Association shall, upon demand at any time, furnish to any Owner liable for any type of Assessment a certificate in writing signed by an officer of the Association setting forth whether an Assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment to the Association of such Assessment. The Association may require the advance payment of a nominal processing fee for the issuance of such certificate.

8. No Waiver. No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas, abandonment of the Lot, or non-use of any services provided by the Association. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of the County or other governmental authority.

9. Developer Obligation. Until the Transfer Date, on all Lots on which Assessments have commenced, Developer shall be obligated for the difference between the amount of Assessments levied on such Lots, and the amount of actual expenditures required to operate the Association, in accordance with the Budget. This obligation may be satisfied in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these, in the sole and absolute discretion of Developer.

10. Subordination of the Lien to Institutional Mortgagees. The lien of Assessments, including interest, late charges, and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any Institutional Mortgagee as provided in this Declaration. The sale or transfer of any Lot shall not affect the Assessment lien. No sale or transfer shall relieve such Lot from lien rights for any Assessments thereafter becoming due and, except as provided herein, such lien shall continue as a lien on such Lot following any transfer or conveyance. Where the Institutional Mortgagee or other purchaser of a Lot obtains title pursuant to remedies under such mortgage, its successors and assigns shall not be liable for the share of the Association Expenses or Assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer; provided, however, such Assessments shall continue to be the personal obligation of the Owner of such Lot when same were assessed against such Lot. Such unpaid share of Association Expenses or Assessments shall be deemed to be Association Expenses collectible from Owners, including such acquirer, its successors and assigns.

11. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from the payment of Assessments and Special Assessments:

- A. All Common Areas; and
- B. All property dedicated to and accepted by the Heron Bay Community Association, the County, any governmental authority, any public utility, or NSID.

ARTICLE X

ESTABLISHMENT AND ENFORCEMENT OF LIENS

1. Lien for Assessments. All Assessments (including Special Assessments and Default Assessments), together with interest (at a rate not to exceed the highest rate allowed by Florida law as computed from the date the delinquency first occurs), costs, and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Owner of such Lot at the time the Assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except as provided in Article IX above.

2. Effective Date of Lien. Said lien shall be effective from and after the time of recordation amongst the Public Records of the County of this Declaration. Upon recording, there shall exist a perfected lien for unpaid Assessments (including Special Assessments and Default Assessments) prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of Institutional Mortgagees.

3. Remedies. In the event any Owner shall fail to pay his or her Assessments within days after the same becomes due, the Association, through its Board, shall have all of the following remedies to the extent permitted by law.

A. Late Charges, Interest. To charge interest on any unpaid outstanding balance of any Assessment in the amount of 1.5% per month. To impose a late charge not in excess of \$25.00 (or such lesser amount as the Board may determine).

B. Acceleration of Assessments. To accelerate the entire amount of any Assessments for the remainder of the year notwithstanding any provisions for the payment thereof in installments.

C. Attorneys Fees and Costs. To advance on behalf of the Owner funds to accomplish the needs of the Association and the amount or amounts of money so advanced, including reasonable attorneys' fees and expenses which might have been reasonably incurred because of or in connection with such advance, including costs and expenses of the Association if it must borrow to pay expenses because of said Owner, together with interest at the highest rate allowable by law, may thereupon be collected or enforced by the Association and such advance or loan by the Association shall not waive the default.

D. Action in Equity. To file an action in equity to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association in a like manner as the foreclosure of a mortgage on real property.

E. Action at Law. To file an action at law to collect said Assessments, plus interest at the highest rate allowable by law plus costs and attorneys' fees, without waiving any lien rights or rights of foreclosure by the Association.

F. Suspension of Voting Rights. To suspend the voting rights of such Owner under the Declaration and other Homeowners Documents.

4. Rights upon Foreclosure. The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which the Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no Assessment shall be assessed or levied on it; and (c) each other Lot shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment, including the amount of the Assessment payable to the Heron Bay Community Association, that would have been charged such Lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid common expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

5. Procedure. Except with respect to the failure of an Owner to pay Assessments, the Board shall not impose any Default Assessment for violations of the Homeowners Documents, unless and until the following procedure is followed:

A. Written demand to cure, cease and desist from an alleged violation shall be served upon the Owner responsible for such violation specifying:

- (i) The alleged violation;

(ii) The action required to abate the violation; and

(iii) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of Homeowners Documents may result in the imposition of sanctions after notice and hearing.

B. Within twenty (20) days of such demand, if the violation continues beyond the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs, the Board may serve such Owner with written notice of a hearing to be held by the Board. The notice shall contain:

(i) The nature of the alleged violation;

(ii) The time and place of the hearing, which time shall be not less than ten days from the giving of the notice;

(iii) An invitation to attend the hearing and produce any statement, evidence and witnesses on his behalf; and

(iv) The proposed sanction to be imposed.

C. The hearing shall be held in an executive session of the Board pursuant to the notice and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer, director or other individual who delivered such notice. In addition, the notice requirement shall be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

ARTICLE XI

INSURANCE

1. Common Area Insurance. The Association shall maintain a policy or policies to insure the Common Area improvements, personal property and supplies, if any, from casualty losses, and shall be in such amounts so that the insured will not be a co-insurer except under deductible clauses required to obtain coverages at a reasonable cost.

A. Casualty Insurance Exclusions. The coverages for casualty losses will EXCLUDE the following:

(i) Land, foundations, excavations or other items that are usually excluded from insurance coverage; and

(ii) Floor, wall, and ceiling coverings.

B. Casualty Insurance Inclusions. The coverage for casualty losses will INCLUDE, where applicable, the following:

(i) Loss or damage by fire or other hazards covered by a standard extended coverage endorsement;

(ii) All other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement;

(iii) Agreed Amount and Inflation Guard Endorsement, when it can be obtained;

(iv) Demolition Cost Endorsements, Contingent Liability from Operation of Building Laws Endorsement, and Increased Cost of Construction Endorsement;

C. Policy Waivers. When appropriate and possible, the policies shall waive the insurer's right to:

(i) Subrogation against the Association and against the Owners, individually and as a group;

(ii) The prorata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and

(iii) Avoid liability for a loss that is caused by an act of the Board, or by a member of the Board or by one or more Owners.

D. Other Provisions. In addition, the policy shall provide that:

(i) Any Insurance Trust Agreement will be recognized;

(ii) The policy shall be primary, even if an Owner has other insurance that covers the same loss; and

(iii) The named insured shall be the Association for the use and benefit of the Owners. The "loss payable" clause should show said Association or the designated insurance trustee as the trustee for each Owner and each Owner's mortgagee.

2. Unit Insurance. Each Owner shall maintain a policy or policies to insure his or her Unit from all casualty losses.

3. Reconstruction and Repair after Casualty.

A. Determination. Under ordinary circumstances, Common Area improvements which are damaged by casualty shall be reconstructed and repaired. If a dispute arises as to whether a Common Area improvement should be repaired or reconstructed, the Board of Directors shall make the determination to repair or reconstruct. The adjoining Owners shall be bound by this determination. If a Unit is damaged by a casualty, the affected Owner shall promptly have such Unit repaired and rebuilt substantially in accordance with the architectural plans and specifications of the Unit, subject to approval of Developer, the ARC or the Modifications Committee, as appropriate. The Association shall have the right to specially assess all members of the Association if insurance proceeds are insufficient to repair or rebuild the affected Common Areas in accordance with this paragraph. The assessment and collection of any Special Assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association Expenses.

B. Plans and Specifications. Although it is impossible to anticipate all problems which may arise from a casualty, the intent is to try to assure that the General Plan of Development is maintained by requiring damaged Units to be rebuilt or repaired and that unsightly and dangerous conditions are remedied as soon as possible. Any reconstruction and repair must be substantially in accordance with the plans and specifications for such Unit as originally constructed, and in any event, according to plans and specifications approved by Developer, the ARC or the Modifications Committee. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair to the Common Areas for which the Association is responsible or if at any time during the work or upon completion of the work the funds available for payment of the costs are insufficient, Special Assessments shall be made by the Association against all Lots in sufficient amounts to provide funds for the payment of those costs. The cost of such construction, reconstruction and repair shall be made as an Association Expense, except that the cost of construction, reconstruction and repair occasioned by special improvement made at the request of the Owner and not common to other Units shall be assessed to such Owner.

4. Public Liability Coverage. The Association shall obtain comprehensive general liability coverage insuring the Association against any and all claims and demands made by any person or persons for injuries received in connection with the operation and maintenance of the Common Areas and improvements located thereon, or for any other risk insured against by such policies which the Association, in its sole discretion, determines to insure against. Each policy purchased by the Association shall have limits of not less than \$1,000,000.00 covering all claims for personal injury and property damage arising out of a single occurrence. The liability coverage shall include protection against liability for non-owned and hired automobiles, and liability of hazards related to usage. In addition, the coverage shall include protection against liability that results from actions related to employment contracts in which the Association is a party. All such policies will name the Association (and Developer until the Transfer Date), as their respective interests may appear, as insured parties under such policy or policies. The original of each policy shall be held by the Board or in the office of the Insurance Trustee.

5. Fidelity Bond Coverage. The Association shall obtain fidelity bonds covering officers, directors, employees and other persons who handle or are responsible for handling Association funds. The fidelity bonds (or insurance) shall meet the following requirements.

A. Association as Obligee. All such fidelity insurance or bonds shall name the Association as an obligee; and

B. Amount of Insurance. Such fidelity insurance or bonds shall be written in the amount equal to at least 150% of three months operating expenses of the Association, and the amount in reserve as of the end of each fiscal year of the Association; and

C. Waivers. Such fidelity insurance or bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or a similar expression; and

D. Notice of Cancellation. Such insurance or bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least thirty days prior written notice of the servicer or the insured.

6. Flood Insurance. If any part of the Common Areas are in a special flood hazard area, and are insurable as defined by the Federal Emergency Management Agency, the Association shall insure same. The coverage shall be 100% of the current replacement cost of any Common Area improvements or structures and other insurable common area, or the maximum coverage available for such improvements, structures, or property under the National Flood Insurance Program.

7. Insurer. All insurance shall be issued by a company authorized to do business in the State of Florida.

8. Named Insured. For all policies obtained by the Association, the named insured shall be the Association individually and as trustee for Owners covered by the policy without naming them, and shall include Institutional Mortgagees who hold mortgages upon Lots covered by the policy whether or not the mortgagees are named. The Board may authorize the Insurance Trustee to maintain the policies and receive any proceeds of such policies.

9. Premiums. Premiums on policies purchased by the Association shall be paid as an Association Expense. However, if the amount of a premium is increased because a Lot or Unit or its appurtenances is misused or abandoned then the Owner of such Lot or Unit is liable for the amount of such increase as a Default Assessment. The Association will furnish evidence of premium payment to each mortgagee upon request.

10. Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, Owners and the Institutional Mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association as trustee or to such institution in Florida with trust powers as may be designated as Insurance Trustee by the Board. The Trustee shall hold the proceeds for the benefit of the Owners and the Institutional Mortgagees in the following shares:

A. Share of Proceeds. An undivided share for each Owner, that share being the same as such Owner's undivided share in the Association Expenses.

B. Institutional Mortgagees. If a mortgagee endorsement of an insurance policy has been issued as to a Lot, the share of the Owner shall be held in trust for the Institutional Mortgagee and such Owner, as their interests may appear; however, that no Institutional Mortgagee shall have any right to determine or participate in the determination as to whether or not any such Unit or Lot shall be reconstructed or repaired, and unless provided by the terms of the mortgage, no Institutional Mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of proceeds made to the Owner and the Institutional Mortgagee.

11. Policy Cancellation. All insurance policies purchased by the Association shall require the insurer to notify in writing the Association or the designated Insurance Trustee and each first mortgagee named in any mortgage clause at least 30 days before it cancels or substantially changes the coverage.

12. Association as Agent. The Association is irrevocably appointed agent for each Owner and for each mortgagee or other lienor of a Unit, and for each owner of any other interest in the property, to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

13. Additional Insurance. The Board shall have the authority to and shall obtain and continue in effect such additional policies of insurance, in such form as the Board deems appropriate, for the benefit of the Association and/or the Owners as the Board deems necessary.

ARTICLE XII

ARCHITECTURAL CONTROL

1. Architectural Review Committee. The Architectural Review Committee ("ARC") shall approve all designs, plans, specifications, structures, modifications, alternations and work in accordance with the Heron Bay Community Declaration. The ARC may elect to assign any of such rights, including but not limited to the approval of any modifications or alterations to a Lot or Unit, to a Modifications Committee (hereinafter referred to as "Modifications Committee"). The Modifications Committee shall consist of three (3) or more persons appointed by the Board. The Board shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction the decisions of the Modifications Committee. The Modifications Committee shall have only such powers as are delegated to it by the ARC in accordance with the Heron Bay Community Declaration. This Article may not be amended without Developer's written consent so long as Developer owns any property subject to this Declaration or subject to annexation to this Declaration.

2. Community-Wide Standard. The ARC and the Modifications Committee shall each regulate the external appearance, use, and maintenance of the General Plan of Development and of improvements thereon in such a manner as to comply with and meet the Community-Wide Standard, to best preserve and enhance values and to maintain a harmonious relationship among

structures and the natural vegetation and topography. As regards Developer, or any successor Developer, nothing herein shall give the Modifications Committee the authority to regulate, control or determine external appearance, use or maintenance of any property owned by Developer or any successor Developer.

3. General Provisions.

A. Address of Modifications Committee. The address of the Modifications Committee shall be the principal office of the Association as designated by the Board. Such address shall be the place for the submittal of plans and specifications and the place where the current architectural standards, if any, shall be kept.

B. Procedure. In order to obtain the approval of the ARC or the Modifications Committee, each Owner shall observe the following:

(i) Each applicant shall submit an application to the ARC or the Modifications Committee with respect to any proposed improvement or material change in any improvement, together with the required application(s) and other fee(s) as established by the ARC or the Modifications Committee. The application shall include such information as may be required by the application form adopted by the ARC or the Modifications Committee. The ARC or the Modifications Committee may also require submission of samples of building materials and colors proposed to be used. At the time of such submissions, the applicant shall, if requested, submit to the ARC or the Modifications Committee such Lot plans, plans and specifications for the proposed improvement, prepared and stamped by a licensed Florida architect, and landscaping and irrigation plans, prepared by a licensed landscape architect or designer showing all existing trees and major vegetation stands and surface water drainage plan showing existing and proposed design grades, contours relating to the predetermined ground floor finish elevation, pool plans and specifications and the times scheduled for completion, all as reasonably specified by the ARC or the Modifications Committee.

(ii) In the event the information submitted to the ARC or the Modifications Committee is, in the ARC or the Modifications Committee's opinion, incomplete or insufficient in any manner, the ARC or the Modifications Committee may request and require the submission of additional or supplemental information. The Owner shall, within fifteen (15) days thereafter, comply with the request.

(iii) No later than thirty (30) days after receipt of all information required by the ARC or the Modifications Committee for final review, the ARC or the Modifications Committee shall approve or deny the application in writing. The ARC or the Modifications Committee shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the ARC or the Modifications Committee's sole discretion, for aesthetic or any other reasons or to impose qualifications and conditions thereon. In approving or

disapproving such plans and specifications, the ARC or the Modifications Committee shall consider the suitability of the proposed improvements, the materials of which the improvements are to be built, the Lot upon which the improvements are proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property. In the event the ARC or the Modifications Committee fails to respond within said thirty (30) day period, the plans and specifications shall be deemed disapproved by the ARC or the Modifications Committee.

(iv) Construction of all improvements shall be completed within the time period set forth in the application and approved by the ARC or the Modifications Committee.

(v) In the event that the ARC or the Modifications Committee disapproves any plans and specifications, the applicant may request a rehearing by the ARC or the Modifications Committee for additional review of the disapproved plans and specifications. The meeting shall take place no later than thirty (30) days after written request for such meeting is received by the ARC or the Modifications Committee, unless applicant waives this time requirement in writing. The ARC or the Modifications Committee shall make a final written decision no later than thirty (30) days after such meeting. In the event the ARC or the Modifications Committee fails to provide such written decision within said thirty (30) days, the plans and specifications shall be deemed disapproved.

(vi) Upon continued disapproval (even if the members of the Board and the ARC or the Modifications Committee are the same), the applicant may appeal the decision of the ARC or the Modifications Committee to the Board within thirty (30) days of the ARC or the Modifications Committee's written review and disapproval. Review by the Board shall take place no later than thirty (30) days subsequent to the receipt by the Board of the Owner's request therefor. If the Board fails to hold such a meeting within thirty (30) days after receipt of request for such meeting, then the plans and specifications shall be deemed approved. The Board shall make a final decision no later than thirty (30) days after such meeting. In the event the Board fails to provide such written decision within said thirty (30) days after such meeting, such plans and specifications shall be deemed approved. The decision of the ARC or the Modifications Committee, or if appealed, the Board, shall be final and binding upon the applicant, its heirs, legal representatives, successors and assigns.

C. Alterations. Any and all alterations, deletions, additions and changes of any type or nature whatsoever to then existing improvements or the plans or specifications previously approved by the ARC or the Modifications Committee shall be subject to the approval of the ARC or the Modifications Committee in the same manner as required for approval of original plans and specifications.

D. Variances. The Association, the ARC or the Modifications Committee shall have the power to grant variances from any requirements set forth in this Declaration or from the Architectural Review Requirements, on a case by case basis, provided that the variance sought is reasonable and results from a hardship upon the applicant. The granting of a variance shall not nullify or otherwise affect the right to require strict compliance with the requirements set forth herein or in the Architectural Review Requirements on any other occasion.

E. Permits. The Owner is solely responsible to obtain all required building and other permits from all governmental authorities having jurisdiction.

F. Construction by Owners. The following provisions govern construction activities by Owners after consent of the ARC or the Modifications Committee has been obtained:

(i) Each Owner shall deliver to the ARC or the Modifications Committee copies of all construction and building permits as and when received by the Owner. Each construction Lot in Heron Bay shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed on a diligent, workmanlike and continuous basis. Roads, easements, swales, Common Areas and other such areas in Bay Cove shall be kept clear of construction vehicles, construction materials and debris at all times. No construction office or trailer shall be kept in Bay Cove and no construction materials shall be stored in Bay Cove subject, however, to such conditions and requirements as may be promulgated by the ARC or the Modifications Committee. All refuse and debris shall be removed or deposited in a dumpster on a daily basis. No materials shall be deposited or permitted to be deposited in any canal or waterway or Common Area or other Units in Bay Cove or be placed anywhere outside of the Unit upon which the construction is taking place. No hazardous waste or toxic materials shall be stored, handled and used, including, without limitation, gasoline and petroleum products, except in compliance with all applicable federal, state and local statutes, regulations and ordinances, and shall not be deposited in any manner on, in or within the construction or adjacent property or waterways. All construction activities shall comply with the Architectural Review Requirements.

(ii) There shall be provided to the ARC or the Modifications Committee a list (name, address, telephone number and identity of contact person), of all contractors, subcontractors, materialmen and suppliers (collectively, "Contractors") and changes to the list as they occur relating to construction. Each builder and all of its employees and Contractors and their employees shall utilize those roadways and entrances to Bay Cove as are designed by the ARC or the Modifications Committee for construction activities. The ARC or the Modifications Committee shall have the right to require that each builder's and Contractor's employees check in at the designated construction entrances and to refuse entrance to persons and parties whose names are not registered with the ARC or the Modifications Committee.

(iii) Each Owner is responsible for insuring compliance with all terms and conditions of these provisions and of the Architectural Review Requirements by all of its employees and Contractors. In the event of any violation of any such terms or conditions by any employee or Contractor, or, in the opinion of the ARC or the Modifications Committee, the continued refusal of any employee or Contractor to comply with such terms and conditions, after five (5) days' notice and right to cure, the ARC or the Modifications Committee shall have, in addition to the other rights hereunder, the right to prohibit the violating employee or Contractor from performing any further services in Heron Bay.

(iv) The ARC or the Modifications Committee may, from time to time, adopt standards governing the performance or conduct of Owners, Contractors and their respective employees within Heron Bay. Each Owner and Contractor shall comply with such standards and cause its respective employees to also comply with same. The ARC or the Modifications Committee may also promulgate requirements to be inserted in all contracts relating to construction within Heron Bay and each Owner shall include the same therein.

G. Inspection. There is specifically reserved to the Association and the ARC or the Modifications Committee and to any agent or member of either of them, the right of entry and inspection upon any portion of Bay Cove for the purpose of determining whether there exists any violation of the terms of any approval or the terms of this Declaration or the Architectural Review Requirements.

H. Violation. If any improvement shall be constructed or altered without prior written approval, or in a manner which fails to conform with the approval granted, the Owner shall, upon demand of the Association, the ARC or the Modifications Committee, cause such improvement to be removed, or restored until approval is obtained or in order to comply with the plans and specifications originally approved. The Owner shall be liable for the payment of all costs or removal or restoration, including all costs and attorneys' fees and paraprofessional fees at all levels including appeals, collections and bankruptcy incurred by the Association, the ARC or the Modifications Committee. The costs shall be deemed a Default Assessment and enforceable pursuant to the provisions of this Declaration. The ARC or the Modifications Committee and/or the Association is specifically empowered to enforce the architectural and landscaping provisions of this Declaration and the Architectural Review Requirements by any legal or equitable remedy.

I. Court Costs. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed improvement or to cause the removal of any unapproved improvement, the Association, the ARC and/or the Modifications Committee shall be entitled to recover court costs, expenses and attorneys' fees and paraprofessional fees at all levels, including appeals, collections and bankruptcy, in connection therewith.

J. Certificate. In the event that any Owner fails to comply with the provisions contained herewith, the Architectural Review Requirements, or other rules and regulations promulgated by the ARC or the Modifications Committee and/or the Association

may, in addition to any other remedies contained herein, record a Certificate of Non-Compliance against the Unit stating that the improvements on the Unit fail to meet the requirements of this Declaration and that the Unit is subject to further enforcement remedies.

K. Exemption. Notwithstanding anything to the contrary contained herein, or in the Architectural Review Requirements, any improvements of any nature made or to be made by Developer, or their nominees, including, without limitation, improvements made or to be made to the Common Area or any Lot, shall not be subject to the review of the ARC, the Modifications Committee, the Association, or the provisions of the Architectural Review Requirements.

L. Exculpation. Developer, the Association, the directors or officers of the Association, the ARC or the Modifications Committee, the members of the ARC or the Modifications Committee, or any person acting on behalf of any of them, shall not be liable for any cost or damages incurred by any Owner or any other party whatsoever, due to any mistakes in judgment, negligence, or any action of Developer, the Association, the ARC or the Modifications Committee or their members, officers or directors, in connection with the approval or disapproval of plans and specifications. Each Owner agrees, individually and on behalf of its heirs, successors and assigns by acquiring title to a Lot, that it shall not bring any action or suit against Developer, the Association or their respective directors or officers, the ARC or the Modifications Committee or the members of the ARC or the Modifications Committee, or their respective agents, in order to recover any damages caused by the actions of Developer, the Association, the ARC or the Modifications Committee or their respective members, officers or directors in connection with the provisions of this Section. The Association does hereby indemnify, defend and hold Developer, the ARC or the Modifications Committee, and each of their members, officers and directors harmless from all costs, expenses and liabilities, including attorneys' fees and paraprofessional fees at all levels, including appeals, of all nature resulting by virtue of the acts of the Owners, the Association, the ARC or the Modifications Committee or their members, officers and directors. Developer, the Association, its directors or officers, the ARC or the Modifications Committee of its members, or any person acting on behalf of any of them, shall not be responsible for any defects in any plans or specifications or the failure of same to comply with applicable laws or code nor for any defects in any improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto. By way of example, and not of limitation, the approval of hurricane shutters shall not be deemed an endorsement or guarantee of the effectiveness of such hurricane shutters.

ARTICLE XIII

ADDITIONAL RESTRICTIONS

1. Heron Bay Community Declaration. In addition to all of the covenants, restrictions and provisions contained in this Declaration, the Articles of Incorporation and the Bylaws for the Association, and the Rules and Regulations adopted by the Association, as same may be amended from time to time, the Property shall also be subject to all of the covenants, restrictions and provisions, including without limitation all assessments, and lien rights, contained in the

Heron Bay Community Declaration, the articles of incorporation and the Bylaws for the Heron Bay Community Association, all Rules and Regulations adopted by the Heron Bay Community Association, as same may be amended from time to time.

2. Covenants Running With The Property. The agreements, covenants, conditions, restrictions, Assessments, liens and other provisions contained herein shall constitute a servitude upon the Property and each portion thereof, shall run with the Property, shall be binding upon the Owners of any portion thereof, and shall inure to the benefit of Developer, the Association, the Heron Bay Community Association and the Owners.

3. Plat. In addition to this Declaration, the Property shall be subject to the additional covenants, restrictions, reservations and other terms and provisions set forth in the Plat of Heron Bay East on file with Broward County.

4. NSID. All restrictions, limitations, covenants, taxes and assessments imposed in connection with NSID created with respect to the Properties.

ARTICLE XIV

DEVELOPER'S RIGHTS

1. Developer's Transfer Right. Any or all of the rights and obligations of Developer may be transferred or assigned by Developer to other Persons, provided that the transfer or assignment shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by Developer and duly recorded in the Public Records of the County. Nothing in this Declaration shall be construed to require Developer or any successor or assign to develop any property other than the Property.

2. Developer's Sales Offices. Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and sales and resales of Lots by Developer within any phase of Heron Bay Community shall continue, it shall be expressly permissible for Developer or WCI Realty, Inc. to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Developer or WCI Realty, Inc. may be reasonably required, convenient, or incidental to the construction or sale of such Lots, including, but not limited to, business offices, signs, model units, and sales offices, and Developer or WCI Realty, Inc. shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right to use Lots owned by Developer and any facility which may be owned by the Association, as models and sales offices, respectively.

3. Right of Approval. So long as Developer continues to have rights under this Article, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Developer's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently

approved by recorded consent signed by Developer. Notwithstanding the foregoing, Developer shall have the right to record amendments to the Heron Bay Community Declaration in order to add the Property to the property encumbered thereby, and to add other properties subsequently encumbered by this Declaration to the property encumbered by the Heron Bay Community Declaration, or to otherwise amend the Heron Bay Community Declaration.

4. Termination of Developer's Rights. This Article may not be amended without the express written consent of Developer; provided, however, the rights contained in this Article shall terminate upon the Transfer Date.

ARTICLE XV

MORTGAGEE PROVISIONS

The following provisions are for the benefit of the Institutional Mortgages.

1. Notices of Action. Every Institutional Mortgagee who provides written request to the Association (such request to state the name and address of such Institutional Mortgagee and the Lot encumbered by such mortgage, therefore becoming an "eligible holder"), will be entitled to timely written notice of:

A. Condemnation Loss. Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects the Lot(s) encumbered by such Institutional Mortgagee's mortgage;

B. Delinquent Assessments. Any delinquency in the payment of Assessments or charges owed by the Owner of such Lot(s) encumbered by such Institutional Mortgagee's mortgage, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any Institutional Mortgagee, upon written request, is entitled to written notice from the Association of any default in the performance by the Owner of such Lot(s) encumbered by such Institutional Mortgagee's mortgage of any obligation under the Homeowners Documents which is not cured within sixty (60) days;

C. Insurance Lapse. Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

2. No Priority. No provision of the Homeowners Documents gives or shall be construed as giving any Owner or other party priority over any rights of the Institutional Mortgagee of such Lot(s) in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas.

3. Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any mortgage encumbering such Owner's Lot.

4. Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less

stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

5. Failure of Mortgagee to Respond. Any Institutional Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Institutional Mortgagee within thirty days of the date of the Association's request.

6. Financial Statements. Any Institutional Mortgagee shall be entitled, upon written request to the Association after reasonable notice, to a financial statement of the Association for the immediately preceding fiscal year.

ARTICLE XVI

ENFORCEMENT OF DECLARATION

1. Enforcement of Declaration. The enforcement of this Declaration may be by proceeding at law for damages or in equity to compel compliance with its terms or to prevent violation or breach of any of the covenants or terms herein. Developer, the Association, the Heron Bay Community Association or any Owner may, but shall not be required to, seek enforcement of the Declaration. Any Owner who seeks enforcement of this Declaration shall by his actions be deemed to have indemnified Developer, the Association, and the Heron Bay Community Association from all liabilities resulting from his actions. Should the party seeking enforcement be the prevailing party in any action, then the person against whom enforcement has been sought shall pay all costs and reasonable attorneys' fees at all trial and appellate levels to the prevailing party. In addition, the Association shall be entitled to recover its attorney's fees incurred against an owner who is in violation, regardless of whether a lawsuit has been filed. Such attorney's fees shall be deemed an assessment and collectible in the same manner as a Default Assessment. The failure or refusal of Developer, the Association, the Heron Bay Community Association, or any Owner to enforce any of the provisions of this Declaration shall in no event be deemed to constitute a waiver of the right to do so thereafter.

2. Enforcement of Heron Bay Community Declaration. Developer hereby assigns to the Association, on a nonexclusive bases, the right to enforce the terms of the Heron Bay Community Association as same relate to the Property. Such rights shall be exercised in common with the Heron Bay Community Association, Developer and any other Person entitled to enforce the terms of the Heron Bay Community Declaration. Upon written request of Developer or Heron Bay Community Association, the Association shall immediately stop any enforcement of the terms of the Heron Bay Community Declaration. Developer may at any time revoke this assignment by recording an amendment to the Declaration in the Public Records of the County.

ARTICLE XVII

AMENDMENTS

1. Amendments by Developer. During the period prior to the Transfer Date, Developer may amend this Declaration by an instrument in writing filed and recorded in the Public Records of the County, without the approval of any Owner or Institutional Mortgagee; provided, however, that, with the exception of the addition of Additional Property to the terms of this Declaration, (i) in the event that such amendment materially alters or changes any Owner's right to the use and enjoyment of his Lot, Unit or the Common Areas as set forth in this Declaration or adversely affects the title to any Lot or Unit, such amendment shall be valid only upon the written consent thereto by a majority in number of the then existing Owners affected thereby, or in the event that such amendment would materially and adversely affect the security title and interest of any Institutional Mortgagee, such amendment shall be valid only upon the written consent thereto of all such Institutional Mortgagees so affected. Any amendment made pursuant to this Section shall be certified by Developer as having been duly approved by Developer, and by such Owners and Mortgagees if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself. Each Owner, by acceptance of a deed or other conveyance to a Lot or Unit, agrees to be bound by such amendments as are permitted by this Section and further agrees that, if requested to do so by Developer, such Owner will consent to the amendment of this Declaration or any other instruments relating to the Property (a) if such amendment is necessary to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable governmental statute, rule or regulation or any judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Lots or Units subject to this Declaration; (c) if such amendment is required by an Institutional Mortgage holder to make or purchase mortgage loans on any Lot, Unit or other improvements subject to this Declaration; or (d) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgages on the Lots, Units or other improvements subject to this Declaration.

2. Amendment by Association. Amendments to this Declaration, other than those authorized by Developer above, shall be proposed and adopted in the following manner:

A. Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered and shall be delivered to each Member of the Association.

B. At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Directors or by Members of the Association. Such amendment must be approved by Members holding at least two-thirds (2/3) of the total votes in the Association; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Institutional Mortgagee must be approved by such Mortgagee, and during any period prior to the Transfer Date, such amendment must be approved by Developer.

C. The agreement of the required percentage of the Members and, where required, Developer and any Institutional Mortgagee, to any amendment of this Declaration shall be evidenced by their execution of such amendment, or, in the alternative, the sworn statement of the president of the Association attached to or incorporated in the amendment executed by the Association, which sworn statement shall state unequivocally that the agreement of the required parties was lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded in the Public Records of the County or at such later date as may be specified in the amendment itself.

ARTICLE XVIII

CONVEYANCES

In order to assure a community of congenial residents and thus protect the value of the Lots in the Property, the sale or lease of Lots and Units shall be subject to the following provisions:

1. Notice to Association. The Owner shall notify the Association in writing of his or her intention to sell or lease his or her Unit and furnish with such notification a copy of the contract for purchase and sale or a copy of the lease, whichever is applicable. Except as provided below, it is not the intention of this Article to grant to the Association a right of approval or disapproval of purchasers or lessees. It is, however, the intent of this paragraph to impose an affirmative duty on the Owners to keep the Association fully advised of any changes in occupancy or ownership for the purposes of facilitating the management of the Association's membership records.

2. Lease Agreement Terms. Any and all lease agreements between an Owner and a lessee of such Owner shall be in writing, shall be for a term no less than one (1) year, and must provide that the lessee shall be subject in all respects to the terms and provisions of this Homeowners Documents and that any failure by the lessee under such lease agreement to comply with such terms and conditions shall be a material default and breach of the lease agreement. An Owner, by leasing his Unit, automatically delegates his right of use and enjoyment of the Common Areas and facilities to his lessee; and in so doing, said Owner relinquishes said rights during the term of the lease agreement. An Owner shall be liable for any breach of the Homeowners Documents by such lessee.

ARTICLE XIX

TERMINATION

1. Consent to Termination. After the Transfer Date, this Declaration may be terminated upon the affirmative written consent of eighty percent (80%) of all Owners and the prior written consent of the Heron Bay Community Association.

2. Termination Documents. If this Declaration is terminated in accordance herewith, it is hereby declared by Developer, and each and every Owner by acquiring title to his Lot covenants and agrees, that the termination documents shall require:

A. Use of Lots. That all Lots shall continue to be used solely as residences.

B. Common Areas. All Common Areas shall be owned and held in equal shares by the Owners as tenants in common, and each Owner shall remain obligated to pay his pro rata share of expenses to continually maintain the Common Areas.

3. Limitation on Termination. The Owners and their grantees, successors, and assigns by acquiring title to a Lot covenant and agree that no termination of this Declaration shall be made for a period of twenty-five years from the date of recordation of this Declaration. This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the subject property and inure to the benefit of Developer, the Association, the Heron Bay Community Association, Developer, the Owners, Institutional Mortgagees and their respective legal representatives, heirs, successors, and assigns for said period. After this period, the Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such twenty-five (25) year term or any such ten (10) year extension thereof is recorded amongst the Public Records of the County, an instrument signed by eighty percent (80%) of the Owners and the Heron Bay Community Association agreeing to terminate this Declaration, upon which event this Declaration shall be terminated upon the expiration of twenty-five (25) years or the ten (10) year extension thereof during which the termination instrument is recorded.

4. Common Areas. If the Association is terminated, the property consisting of the Common Areas shall be conveyed to the Heron Bay Community Association, or to an appropriate agency of local government, and if not accepted thereby, then it must be conveyed to a similar non-profit corporation.

ARTICLE XX

MISCELLANEOUS

1. No Waiver. The failure of Developer, the Association, the Heron Bay Community Association, or any Owner to object to an Owner's or another Person's failure to comply with the Homeowners Documents contained herein shall in no event be deemed a waiver of any right to object to same and to seek compliance therewith in accordance with the provisions herein.

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

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

4. Severability. In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

5. Partition. The Association may not convey, encumber, abandon, partition or subdivide any of the Common Areas without the approval of all Institutional Mortgagees.

6. Homeowners Documents. The Association is required to make available to Owners and to Institutional Mortgagees current copies of the Homeowners Documents, as well as the books, records, and financial statements of the Association. "Available" shall be defined as obtainable for inspection, upon written request after reasonable notice, during normal business hours or under such other reasonable circumstances. Any Institutional Mortgagee shall be entitled, upon written request after reasonable notice, to a financial statement of the Association for the immediately preceding fiscal year.

7. Golf Club or Golf Course Membership. The ownership of a Lot does not confer upon the Owner any right to use the facilities or become a member of any golf club or golf course which may be constructed in Heron Bay Community. Each Owner acknowledges and agrees that Developer is not affiliated with any other golf club in Heron Bay Community. Owners shall not have any proprietary interest in any such club. Membership and priority of use in any golf club shall be determined by the membership rules and regulations prevailing for the club, if any, at the time of application. Developer hereby disclaims any representations, warranties or relationship to any club, if any, or to the rules, regulations, or qualifications to join the club. Each Owner specifically releases Developer, the Association and Heron Bay Community Association from any risk of damage caused to such Owner, or their guests, invitees, licensees, tenants or other persons or property incident to golf play.

8. Notice and Disclosure of NSID Bonds. The Heron Bay Community is part of the NSID. The NSID is responsible for implementing and maintaining certain benefits and infrastructure improvements to real property located within its boundaries. The Property is located within NSID's boundaries.

THIS NOTICE AND DISCLOSURE IS TO INFORM THOSE INDIVIDUALS OR ENTITIES OWNING OR PURCHASING REAL PROPERTY WITHIN THE NSID AS AMENDED FROM TIME TO TIME, THAT THE PROPERTY WILL BE SUBJECT TO AND THE OWNERS OF SAME WILL BE OBLIGATED TO PAY THE NSID NON-AD VALOREM TAXES OR ASSESSMENTS THAT MAY BE LEVIED AND ASSESSED BY NSID AGAINST OWNERS. NSID'S NON-AD VALOREM TAXES AND ASSESSMENTS WILL BE ASSESSED FOR THE PURPOSE OF PAYING SUCH MAINTENANCE AND DEBT OBLIGATIONS AS HAS BEEN OR WILL BE INCURRED BY NSID FOR THE CONSTRUCTION AND MAINTENANCE OF PUBLIC IMPROVEMENTS WITHIN THE NSID'S BOUNDARIES. NSID'S NON-AD VALOREM TAXES AND ASSESSMENTS WILL APPEAR AS A SEPARATE AND DISTINCT LINE ITEM ON THE COUNTY TAX COLLECTOR'S ANNUAL REAL ESTATE TAX BILL AND ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW. SUCH TAXES

AND ASSESSMENTS WILL BE REQUIRED TO BE PAID DIRECTLY TO THE COUNTY TAX COLLECTOR.

IN WITNESS WHEREOF, the Declaration of Covenants and Restrictions for Bay Cove has been signed by Developer and the Association on the day and year first above set forth. Developer and the Association have caused these presents to be executed in their names and their corporate seals to be hereunto affixed by their duly authorized officers.

WCI COMMUNITIES, INC., a Delaware corporation

By: [Signature]
Print Name: Eleanor W. Taft
Title: Vice President

Mary S. Cook
Print Name: Mary S. Cook

Paula Bidwell
Print Name: Paula Bidwell

STATE OF FLORIDA)
) ss.
COUNTY OF LEE)

The foregoing instrument was acknowledged before me this 11th day of March, 2001 by Eleanor Taft, VP of WCI COMMUNITIES INC., a Delaware corporation, on behalf of the corporation. who is personally known to me or produced as a type of identification.

Mary S. Cook
Notary Public
Name: Mary S. Cook
My Commission # CC 916338
Expiration date: 3/6/04



Mary S. Cook
Commission # CC 916338
Expires March 6, 2004
Bonded Thru
Atlantic Bonding Co., Inc.

JOINDER OF ASSOCIATION

BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation, hereby joins in this Declaration of Covenants and Restrictions for Bay Cove for the sole purpose of agreeing to perform its obligations contained herein.

Signed, sealed and delivered in the presence of:

BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation

Nikki Hogan
Print Name: Nikki Hogan

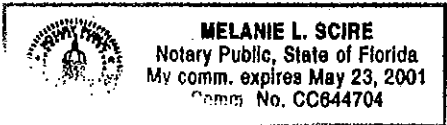
By: [Signature]
Print Name: Kenneth W. Hayden
Its: President

Melanie Scire
Print Name: Melanie Scire

(CORPORATE SEAL)

STATE OF FLORIDA)
) ss.
COUNTY OF LEE)

The foregoing instrument was acknowledged before me this 16 day of March 2001 by Kenneth W. Hayden President of BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation, on behalf of the corporation. He is personally known to me or produced _____ as a type of identification.



Melanie Scire
Notary Public
Name: Melanie Scire
My Commission # _____
Expiration date: _____

JOINDER OF HERON BAY COMMUNITY ASSOCIATION

HERON BAY COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation, hereby joins in this Declaration of Covenants and Restrictions for Bay Cove for the sole purpose of agreeing to perform its obligations contained herein.

Signed, sealed and delivered in the presence of:

Nikki Hogan
Print Name: Nikki Hogan

Melanie Scire
Print Name: Melanie Scire

HERON BAY COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation

By: Kenneth W. Hayden
Print Name: Kenneth W. Hayden

Its: President

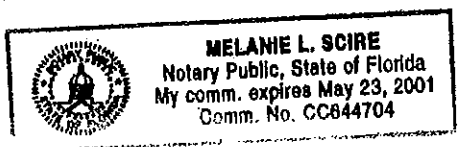
(CORPORATE SEAL)

STATE OF FLORIDA)
) ss.
COUNTY OF LEE)

The foregoing instrument was acknowledged before me this 11th day of March, 2001, by Kenneth W. Hayden the President of Heron Bay Community Association, Inc., a Florida not-for-profit corporation, on behalf of the corporation. He is personally known to me, or has produced _____ as identification.

(Notarial Seal)

Melanie Scire
Notary Public
Name: Melanie Scire
My Commission No.: _____
Expiration date: _____



CONSENT OF MORTGAGEE

Regarding
Declaration of Neighborhood Covenants
For Bay Cove

KNOW ALL MEN BY THESE PRESENTS:

FLEET NATIONAL BANK, a national banking association, as Agent for the Banks (the "Mortgagee"), the holder of that certain Second Consolidated, Amended and Restated Mortgage and Security Agreement and Notice of Future Advance, dated April 26, 2000 and recorded on May 1, 2000 in Official Records Book 30462, Page 207 of the Public Records of Broward County, Florida (the "Mortgage"), which Mortgage constitutes a lien upon the real property described in the foregoing Declaration of Neighborhood Covenants for Bay Cove (the "Declaration"), hereby consents to WCI Communities, Inc. ("WCI"), a Delaware corporation, subjecting the lands described therein to the provisions of the Amendment and agrees that the lien and encumbrance of the Mortgage shall be subordinate to the Amendment.

Notwithstanding the execution of this consent, nothing herein shall be construed to render the Mortgagee responsible or liable for the performance of any of the covenants or undertakings of the Declarant under the Declaration nor shall this consent affect the priority of the Mortgage lien and interest of the Mortgagee.

Dated this 16 day of March, 2001.

Witnesses:

[Signature]
Print Name: OLIVIA A. NARR

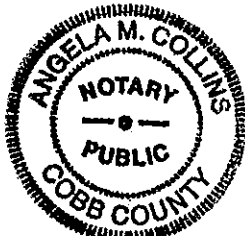
[Signature]
Print Name: JACQUELYN KRIEGER

FLEET NATIONAL BANK, a national banking association, as Agent

By: [Signature]
Print Name: STEVEN P. SELBO
Its: DIRECTOR

STATE OF GEORGIA
COUNTY OF COBB

The foregoing instrument was acknowledged before me this 16 day of MARCH, 2001, by STEVEN P. SELBO, as DIRECTOR of Fleet National Bank, a national banking association, who is personally known to me.



My Commission Expires
January 19, 2002.

[Signature]
Notary Public
Print Name: Angela M. Collins
My Commission Expires: 1/19/02

EXHIBIT "A"
Legal Description of Property

Lots 1-25, Block E, Lots 1-27, Block F, Lots 1-18, Block G, and Parcels D, B-2, B-4, B-5 and B-14, all of "Heron Bay East", according to the plat thereof, as recorded in Plat Book 00169 at Pages 0105 through 0122 of the Public Records of Broward County, Florida.

01 MAR 15 PM 3:31

ARTICLES OF INCORPORATION
of
BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC.
(a Florida corporation not for profit)

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLE I
NAME AND ADDRESS

The name of this corporation shall be BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC. (hereinafter referred to as the "HOMEOWNERS' ASSOCIATION"). The mailing and principal office address of the HOMEOWNERS' ASSOCIATION shall be 11575 Heron Bay Boulevard, Coral Springs, Florida 33076. The HOMEOWNERS' ASSOCIATION is NOT a condominium association under Chapter 718, Florida Statutes. All books and records of the HOMEOWNERS' ASSOCIATION shall be kept at its principal office.

ARTICLE II
DEFINITIONS

A. "Board" or "Board of Directors" shall herein mean and refer to the Board of Directors of the HOMEOWNERS' ASSOCIATION.

B. All terms which are defined in the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BAY COVE AT HERON BAY, and any amendments or supplements thereto (hereinafter referred to as the "RESTRICTIONS"), to be recorded in the Public Records of Broward County, Florida, shall be used herein with the same meanings as defined in said RESTRICTIONS.

ARTICLE III
PURPOSES

The purposes for which this HOMEOWNERS' ASSOCIATION is organized are to operate and maintain the Common Areas; to own the Common Areas (when and if conveyed to it) or such other property; to promote the use and enjoyment of the Development by the Owners and occupants thereof; and to fulfill its obligations, all in accordance with and pursuant to these Articles of Incorporation and the RESTRICTIONS. The HOMEOWNERS' ASSOCIATION is not organized for profit and no part of the net earnings, if any, shall inure to the benefit of any Member or individual person, firm or corporation.

ARTICLE IV
GENERAL POWERS

The general powers that the HOMEOWNERS' ASSOCIATION shall have are as follows:

A. To have all powers conferred upon a corporation not for profit by the laws of the State of Florida, except as may be prohibited herein.

B. To do all of the acts required to be performed by it in accordance with these Articles of Incorporation, the RESTRICTIONS, or any other instrument recorded in the Public Records of Broward County, Florida.

C. To own, operate, maintain, construct, improve, replace and repair the Common Areas in the Development, including, but not limited to, real property used for roadway, recreational, drainage, landscaping, buffer or irrigation purposes, in accordance with these Articles of Incorporation, the RESTRICTIONS, or any other instrument recorded in the Public Records of Broward County, Florida.

D. To purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of, real or personal property, except to the extent restricted hereby; to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation, association or other entity; to do any and all of the activities and pursue any and all of the objects and purposes set forth in these Articles of Incorporation and not forbidden by the laws of the State of Florida.

E. To make, levy and collect assessments and late charges (as described in the RESTRICTIONS) against Lots in the Development to defray the expenses and the cost of effectuating the objects and purposes of the HOMEOWNERS' ASSOCIATION, and to create reasonable reserves for such expenditures as deemed necessary, and to authorize its Board of Directors, in its discretion, to enter into agreements with banks in Florida or other organizations in Florida for the collection of such assessments.

F. To charge recipients for services rendered by the HOMEOWNERS' ASSOCIATION when such is deemed appropriate by the Board of Directors.

G. To pay taxes and other charges on or against property owned or accepted by the HOMEOWNERS' ASSOCIATION.

H. To promulgate and enforce Rules and Regulations, and agreements to effectuate the purposes for which the HOMEOWNERS' ASSOCIATION is organized.

I. Notwithstanding anything contained herein to the contrary, the HOMEOWNERS' ASSOCIATION shall not have the power to, and shall not, engage in or carry on propaganda or otherwise attempt to influence legislation addressing any and all issues including, but not limited to, zoning, environmental, and land use, or participate or intervene, directly or indirectly in any political campaign on behalf of, or in opposition to, any candidate for office, whether public, quasi-public or private, or otherwise engage in or carry on any political action including the publishing or distribution of statements, nor shall Members perform any such activities in the name of the HOMEOWNERS' ASSOCIATION.

J. Notwithstanding anything contained herein to the contrary, the HOMEOWNERS' ASSOCIATION shall not have the power to, and shall not, expend Capital Contribution monies (as defined in the RESTRICTIONS) for any capital expenditures, in connection with the construction of a new capital improvement (except for necessary construction resulting from the damage or

destruction of existing improvements), in excess of Five Thousand Dollars (\$5,000.00) without first complying with the applicable terms and provisions of the RESTRICTIONS. Further, the Capital Contribution reserve shall not be used by the HOMEOWNERS' ASSOCIATION for the purpose of litigation at either or both the trial and appellate levels in any court of competent jurisdiction. nor shall such reserves be used for operating funds.

K. To hold funds solely and exclusively for the benefit of the Members for purposes set forth in these Articles of Incorporation.

L. To delegate power or powers where such is deemed in the interest of the HOMEOWNERS' ASSOCIATION.

ARTICLE V

MEMBERS

The Members of the HOMEOWNERS' ASSOCIATION shall consist of the record property Owners of all of the Lots in the Development, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Membership shall be established effective immediately upon becoming an Owner; provided, however, that such new Member's rights shall not become effective until the new Member presents the HOMEOWNERS' ASSOCIATION with a recorded copy of the deed of conveyance or other document of title conveying the title to the Lot so conveyed, and such membership shall pass with title to the Lot in question as an appurtenance thereto with no such membership or rights arising therefrom being transferable in any manner except as an appurtenance to such Lot. Each and every Member shall be entitled to the benefits of membership and shall be bound to abide by the provisions of these Articles of Incorporation, the RESTRICTIONS and the By-Laws of the HOMEOWNERS' ASSOCIATION, as amended from time to time.

ARTICLE VI

VOTING AND ASSESSMENTS

A. The HOMEOWNERS' ASSOCIATION shall have two (2) classes of voting membership (Class A and Class B) as follows:

1. Class A Members shall be all those Owners as defined in Article V hereof with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Article V hereof. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, in no event shall more than one vote be cast with respect to any such Lot.

2. The Class B Member shall be the Developer. The Class B Member shall be entitled to one (1) vote, plus two (2) votes for each vote which the Class A Members are entitled to cast in the aggregate at any time and from time to time. The Class B Membership shall cease and terminate three (3) months after the date Ninety Percent (90%) of all Lots within the Development

have been sold and conveyed by Developer (or its affiliates), or sooner at the sole election of the Developer, whereupon the Class A Members shall be obligated to elect a majority of the Board and assume control of the HOMEOWNERS' ASSOCIATION. Upon termination of the Class B Membership, the Developer shall remain a Class A Member with respect to those Lots which are then still owned by Developer.

B. The By-Laws of the HOMEOWNERS' ASSOCIATION shall provide for an annual meeting of Members and may make provisions for regular and special meetings of Members other than the annual meeting. The affirmative vote of at least a majority of the votes of the Members present, in person or by proxy, at any meeting of the Members duly called at which a quorum has been attained, shall be binding upon the Members. A quorum of the transaction of business at any meeting of Members shall exist if thirty percent (30%) of the total number of Members shall be present or represented at the meeting. Fractional voting is prohibited. There shall be no cumulative voting.

C. The HOMEOWNERS' ASSOCIATION will obtain funds with which to operate by assessment of its Members in accordance with the provisions of the RESTRICTIONS, as supplemented by the provisions of the Articles of Incorporation and By-Laws of the HOMEOWNERS' ASSOCIATION relating thereto.

ARTICLE VII BOARD OF DIRECTORS

A. The affairs of the HOMEOWNERS' ASSOCIATION shall be managed and conducted by a Board of Directors consisting of not less than three (3) but may consist of as many persons as the Board of Directors shall from time to time determine. The initial members of the Board of Directors shall serve until the first annual meeting of the Members. So long as the Developer shall have the right to appoint all of the Board of Directors, Directors need not be Members of the HOMEOWNERS' ASSOCIATION and need not be residents of the Development; thereafter, Directors shall be Members of the HOMEOWNERS' ASSOCIATION (except for those Directors who are appointed by the Developer).

B. Except as otherwise provided herein and except for the first Board of Directors, Directors shall be elected by the Members of the HOMEOWNERS' ASSOCIATION at the annual meeting of the membership as provided in the By-Laws of the HOMEOWNERS' ASSOCIATION, and said By-Laws may provide for the method of voting in the election and-for removal from office of Directors. Election shall be by plurality vote. Directors shall hold office until the next succeeding annual meeting of Members, and thereafter until qualified successors are duly elected and have taken office. In no event may a Board member appointed by the Developer be removed except by action of Developer. Any Director appointed by the Developer shall serve at the pleasure of the Developer, and may be removed from office and a successor Director appointed at any time by the Developer.

C. The names and addresses of the members of the first Board of Directors, who shall hold office until the first annual meeting of the HOMEOWNERS' ASSOCIATION, and until their successors are elected or appointed and have qualified, are as follows:

<u>Name</u>	<u>Address</u>
Kenneth W. Hayden	11575 Heron Bay Boulevard Coral Springs, Florida 33076
Andre Haluska	11575 Heron Bay Boulevard Coral Springs, Florida 33076
Mark J. Smietana	11575 Heron Bay Boulevard Coral Springs, Florida 33076

ARTICLE VIII
OFFICERS

The officers of the HOMEOWNERS' ASSOCIATION shall be a President, a Secretary and a Treasurer, and such other officers as the Board may from time to time deem necessary. Any two (2) or more offices may be held by the same person except that the offices of President and Secretary may not be held by the same person.

ARTICLE IX
CORPORATE EXISTENCE

The HOMEOWNERS' ASSOCIATION shall have perpetual existence.

ARTICLE X
BY-LAWS

The Board of Directors may, from time to time, adopt, alter or rescind By-Laws not inconsistent with these Articles.

ARTICLE XI
AMENDMENT TO ARTICLES OF INCORPORATION

These Articles of Incorporation may be amended in the following manner:

A. The Board of Directors, by majority vote, shall adopt a resolution setting forth the proposed Amendment and direct that it be submitted to vote at a meeting of the Members.

B. Notice of the subject matter of the proposed Amendment shall be included in the notice of any meeting (special or annual) at which such proposed Amendment is to be considered by the Members. Such notice shall set out in full the proposed amended article, section, subsection or paragraph of a subsection.

C. Such proposed Amendment shall be submitted to and approved by the Members at such meeting. Any number of Amendments may be submitted to the Members and voted upon at

one (1) meeting. The proposed Amendment shall be adopted upon receiving the affirmative vote of at least a majority of the votes of the Members present, in person or by proxy, at such meeting at which a quorum has been attained.

D. An Amendment to these Articles of Incorporation may be made by a written statement signed by all Members eligible to vote in lieu of the above procedure.

E. Notwithstanding anything contained herein to the contrary, Article IV, Section I hereof shall not be amended or modified in any manner except upon receiving the affirmative vote of at least seventy-five (75%) percent of all Members.

F. Notwithstanding anything contained herein to the contrary, so long as Developer owns at least one (1) Lot in the Development, no Amendment to these Articles of Incorporation affecting the rights or privileges of WCI Communities Inc., a Delaware corporation, or its successors or assigns, as Developer, shall be effective without the prior written consent of Developer.

ARTICLE XII INCORPORATOR

The name of the Incorporator of this corporation is James D. Cullen, whose mailing address is WCI Communities, Inc., 24301 Walden Center Drive, Bonita Springs, Florida 34134.

ARTICLE XIII INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and every Officer of the HOMEOWNERS' ASSOCIATION (and the Directors and Officers as a group) shall be indemnified by the HOMEOWNERS' ASSOCIATION against all expenses and liabilities, including counsel fees (at all trial and appellate levels) reasonably incurred by or imposed upon such person or persons in connection with any claim, proceeding, litigation or settlement in which they may become involved by reason of being or having been a Director or Officer of the HOMEOWNERS' ASSOCIATION. The foregoing provisions for indemnification shall apply whether or not such person is a Director or Officer at the time such expenses are incurred. Notwithstanding the above, in instances where a Director or Officer admits or is adjudged guilty by a court of competent jurisdiction of willful misfeasance or malfeasance in the performance of such person's duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Director or Officer may be entitled, whether by statute or common law. No amendment to this Article which reduces or restricts the indemnity created herein may be adopted without the prior consent of each and every Officer and Director (whether current or former) affected by such amendment.

ARTICLE XIV TRANSACTION IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

A. No contract or transaction between the HOMEOWNERS' ASSOCIATION and one or more of its Directors or Officers, or between the HOMEOWNERS' ASSOCIATION and any other

corporation, partnership, association, or other organization in which one or more of its Directors or Officers are Directors or Officers or have a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Director or Officer is present at or participates in the meeting of the Board or a committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. No Director or Officer of the HOMEOWNERS' ASSOCIATION shall incur liability by reason of the fact that he is or may be interested in such contract or transaction.

B. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction.

ARTICLE XV
DISSOLUTION OF THE HOMEOWNERS' ASSOCIATION

A. Upon dissolution of the HOMEOWNERS' ASSOCIATION, all of its assets remaining after provision for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner and order:

1. Real property contributed to the HOMEOWNERS' ASSOCIATION without the receipt of other than nominal consideration by the Developer (or its successors in interest) shall be returned to the Developer (whether or not a Member at the time of such dissolution) unless it refuses to accept the conveyance (in whole or in part);

2. Dedication to applicable municipal or other governmental authority of such property (whether real, personal or mixed) as determined by the Board of Directors of the HOMEOWNERS' ASSOCIATION to be appropriate for dedication and which the authority is willing to accept; and

3. The remaining assets shall be distributed among the Members, subject to the limitations set forth below, as tenants in common, each Member's share of the assets to be determined in accordance with his voting rights.

B. The HOMEOWNERS' ASSOCIATION may be dissolved upon a resolution to that effect being approved by three-fourths (3/4) of the members of the Board of Directors; three-fourths (3/4) of the Members; and the filing of Articles of Dissolution with the Department of State as provided for in Section 617.1403, Florida Statutes.

ARTICLE XVI
GENDER

Wherever the male pronoun is used herein, it shall be understood to be the female pronoun if the context or sex of the party referred to so requires.

BY-LAWS
of
BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC.
(a Florida corporation not for profit)

ARTICLE I
DEFINITIONS

Section 1. The term "HOMEOWNERS' ASSOCIATION" as used herein, shall mean BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC., a Florida corporation not for profit, its successors or assigns.

Section 2. All terms which are defined in the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BAY COVE AT HERON BAY to be recorded in the Public Records of Broward County, Florida, and any amendments or supplements thereto (hereinafter referred to as the "RESTRICTIONS") and the Articles of Incorporation of this HOMEOWNERS' ASSOCIATION, shall be used herein with the same meanings as defined in said RESTRICTIONS or Articles of Incorporation, as the case may be.

ARTICLE II
LOCATION OF PRINCIPAL OFFICE

The principal office of the HOMEOWNERS' ASSOCIATION shall be located at 24301 Walden Center Drive, Bonita Springs, Florida 34134, or at such other place as may be established by resolution of the Board of Directors.

ARTICLE III
VOTING RIGHTS AND ASSESSMENTS

Section 1. Voting rights shall be as set forth in Article VI of the Articles of Incorporation of the HOMEOWNERS' ASSOCIATION.

Section 2. All assessments and installments thereof not paid when due shall be assessed a late charge as described in the RESTRICTIONS, commencing from the due date, and costs of collection thereof, and may result in the suspension of a Member's right to use the Common Areas (without impairing the right of that Member to have vehicular and pedestrian ingress to and egress from its Lot) and any other privileges of membership during any period of such nonpayment.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. A majority of the Board of Directors shall constitute a quorum to transact business at any meeting of the Board, and the action of the majority present at a meeting at which a quorum is present shall constitute the action of the Board of Directors.

Section 2. Any vacancy occurring on the Board of Directors because of death,

resignation or other termination of services of any Director., shall be filled by the Board of Directors; except that Developer, to the exclusion of other Members and/or the Board itself, shall fill any vacancy created by the death, resignation, removal or other termination of services of any Director appointed by Developer. A Director appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office and shall serve until his successor shall have been elected and/or appointed and qualified.

ARTICLE V
ELECTION OF DIRECTORS;
NOMINATING COMMITTEE: ELECTION COMMITTEE

Section 1. Election to the Board of Directors shall be by written ballot (and not by proxy) as hereinafter provided. At such election, the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. Election shall be by plurality vote.

Section 2. Nominations for election to the Board of Directors shall be made by a Nominating Committee or by Members at the time of the meeting.

Section 3. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board of Directors, and two (2) or more Members. The Nominating Committee shall be appointed by the Board of Directors sufficiently in advance of each annual meeting of the Members in order for said Nominating Committee to properly perform its duties and responsibilities. The Nominating Committee shall serve from their appointment until the close of the annual meeting.

Section 4. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations shall be placed on a written ballot as provided herein in Section 5 below and shall be made in advance of the time fixed in said Section 5 for the mailing of such ballots to Members.

Section 5: All elections to the Board of Directors shall be made by written ballot which shall:

- (a) describe the vacancies to be filled;
- (b) set forth the names of those nominated by the Nominating Committee for such vacancies; and
- (c) contain space for a write-in vote by the Members.

Such ballots shall be prepared and mailed by the Secretary to the Members at least twenty-one (21) days in advance of the date set forth therein for the annual meeting or special meeting called for elections.

Section 6. Each Member shall receive as many ballots as he has votes. Notwithstanding that a Member may be entitled to several votes, he shall exercise on any one (1) ballot only one (1) vote for each vacancy shown thereon. The completed ballots may be returned by mail to the Secretary or filed with the Secretary at the annual or special meeting. Only those ballots received by the Secretary on or before the date of the meeting shall be counted.

Section 7. An Election Committee, which shall consist of the members of the Nominating Committee, shall count the votes and shall establish such procedures as may be reasonable and appropriate to insure that only those Members who have the right to vote are able to cast votes and that the vote of any Member shall not be disclosed to anyone. Immediately after the announcement of the results, unless a recount is demanded by the Members, the ballots shall be destroyed.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall have power:

- (a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of thirty percent (30%) of the entire voting membership, as provided in Article X, Section 2 hereof.
- (b) To appoint and remove at pleasure all officers, agents and employees of the HOMEOWNERS' ASSOCIATION, except those appointed by Developer; prescribe their duties; fix their compensation, if any; and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer or Director of the HOMEOWNERS' ASSOCIATION in any capacity whatsoever.
- (c) To establish, levy and assess, and collect the assessments referred to in Article VI, Section 2 hereof and the late charges referred to in Article III, Section 2 hereof.
- (d) To adopt and publish Rules and Regulations governing the use of the Common Areas and the personal conduct of the Members and their guests thereon.
- (e) To exercise for the HOMEOWNERS' ASSOCIATION all powers, duties and authority vested in or delegated to the HOMEOWNERS' ASSOCIATION, except those reserved to the Members in the RESTRICTIONS; in no event shall the Board of Directors expend capital improvement monies (as described in the RESTRICTIONS) for any capital expenditures, in connection with the construction of a new capital improvement (except for necessary construction resulting from the damage or destruction of existing improvements), in excess of Five Thousand Dollars (\$5,000.00), without first complying with the applicable terms and provisions of the RESTRICTIONS.
- (f) In the event that any member of the Board of Directors of the HOMEOWNERS'

ASSOCIATION (other than a member appointed by Developer) shall be absent from three (3) consecutive regular meetings of the Board of Directors, the Board may by action taken at the meeting during which said third absence occurs, declare the seat of the absent Director to be vacant.

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

- (a) to cause to be kept minutes of all its acts and corporate affairs.
- (b) To supervise all officers, agents and employees of the HOMEOWNERS' ASSOCIATION.
- (c) As more provided in the RESTRICTIONS:
 - (i) To fix the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period.
 - (ii) To prepare a roster of Owners in the Development and the assessments applicable thereto which shall be kept in the office of the HOMEOWNERS' ASSOCIATION fully and shall be open to inspection by any Member at reasonable times.
- (d) To issue, or to cause any appropriate officer (or any authorized agent) to issue, upon demand by any interested person certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

ARTICLE VII
DIRECTORS' MEETING

Section 1. A regular meeting of the Board of Directors shall be held at least semi-annually. A regular meeting of the Board of Directors shall also be held immediately following the regular annual meeting of the Members.

Section 2. If the day for the regular annual meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

Section 3. Special meetings of the Board of Directors shall be held when called by the President or Vice President of the HOMEOWNERS' ASSOCIATION or by any two Directors after not less than three (3) days' notice to each Director.

Section 4. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present, and if either before or after the meeting, each of the Directors not present signs a written waiver of notice or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be

filed with the corporate records of the HOMEOWNERS' ASSOCIATION and made a part of the minutes of the meeting.

Section 5. A majority of the Board of Directors shall constitute a quorum thereof.

Section 6. Nothing herein shall restrict or prohibit members of the Board of Directors from participation in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participating by such means shall constitute presence in person at a meeting.

ARTICLE VIII OFFICERS

Section 1. The Officers of the HOMEOWNERS' ASSOCIATION shall be a President, a Secretary and a Treasurer and such other Officers as may be deemed necessary or appropriate by the Board of Directors. The President shall be a member of the Board of Directors.

Section 2. The Officers shall be chosen by a majority vote of the Board of Directors.

Section 3. All Officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, leases, mortgages, deeds and all other written instruments. The President shall not be the Secretary.

Section 5. The Secretary of the HOMEOWNERS' ASSOCIATION shall be the Secretary of the Board of Directors, shall record the votes and keep minutes of all proceedings in a minute book to be kept for that purpose. He shall sign certificates of membership, if any. He shall keep the official records of the HOMEOWNERS' ASSOCIATION. He shall record in a book kept for that purpose the names of all Members of the HOMEOWNERS' ASSOCIATION together with their addresses as registered by such Members (see Article X, Section 3 hereof).

Section 6. The Treasurer shall receive and deposit in appropriate bank accounts, insured by the FDIC or other applicable governmental or quasi-governmental entity, all monies of the HOMEOWNERS' ASSOCIATION and shall disburse such funds as directed by resolution of the Board; provided, however, that a resolution of the Board shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer may sign all checks of the HOMEOWNERS' ASSOCIATION, provided that such checks shall also be signed by one (1) Director. However, in the event that the Treasurer is unavailable, checks may be signed by any two (2) Directors. The Treasurer shall keep books of account according to generally accepted accounting principles consistently applied and cause an annual audit, review, or compilation, of the HOMEOWNERS' ASSOCIATION's books to be made by an auditor, accountant, or a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget, an annual balance sheet statement and an annual statement of operations, and the balance sheet statement and statement of operations shall be

presented to the membership at its regular annual meeting.

ARTICLE IX **COMMITTEES**

Section 1. The HOMEOWNERS' ASSOCIATION may create committees including, but not limited to: (a) Recreation Committee; (b) Maintenance Committee; and (c) Finance and Audit Committee. Unless otherwise provided herein, each committee shall consist of a Chairman and two (2) or more members and shall include a member of the Board of Directors for Board contact. Committee members may be appointed by the Board of Directors to serve until the close of the next annual meeting. The Board of Directors may create, from time to time, such other committees as it deems desirable. All committees shall perform such functions as the Board in its sole discretion determines is necessary.

Section 2. The Recreation Committee, if created by the Board of Directors, shall advise the Board on all matters pertaining to the recreational program and activities of the HOMEOWNERS' ASSOCIATION, and shall perform such other functions as the Board, in its discretion, determines necessary.

Section 3. The Maintenance Committee, if created by the Board of Directors, shall advise the Board on all matters pertaining to the maintenance, repair or improvement of the property of the HOMEOWNERS' ASSOCIATION, and shall perform such other functions as the Board, in its discretion, determines necessary.

Section 4. The Finance and Audit Committee, if created by the Board of Directors, shall supervise the annual audit of the HOMEOWNERS' ASSOCIATION'S books and approve the annual budget and balance sheet statement to be presented to the membership at a regular meeting. The Treasurer shall be an ex officio member of the committee.

Section 5. It shall be the duty of each committee, if created, to receive complaints and suggestions from Members on any matter involving HOMEOWNERS' ASSOCIATION functions, duties, and activities within its field of responsibility. It shall dispose of such complaints and suggestions as it deems appropriate or refer them to such other committee, Director or Officer of the HOMEOWNERS' ASSOCIATION as is further concerned with the matter presented.

ARTICLE X **MEETINGS OF MEMBERS**

Section 1. The regular annual meeting of the Members shall be held on or before the last day of the fourth month after the fiscal year end of the HOMEOWNERS' ASSOCIATION, or as soon as practicable thereafter at a time to be set by the Board of Directors. If the day for the annual meeting of the Members shall fall upon a holiday, the meeting will be held at the same hour on the first day following which is not a holiday.

Section 2. Special meetings of the Members for any purpose may be called at any time

by a majority of the Members of the Board of Directors, or upon written request of the Members who have the right to vote thirty percent (30%) of all of the votes of the entire membership.

Section 3. Notice of any meeting of Members shall be given to the Members by the Secretary. Notice may be given to the Member either personally, or by sending a copy of the notice through the mail, postage prepaid, to his address appearing on the books of the HOMEOWNERS' ASSOCIATION. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed by him to such address. Notice of any meeting, regular or special, shall be delivered or mailed at least seven (7) days in advance of the meeting (unless a different length of time is provided for elsewhere in these By-Laws, the Articles of Incorporation or the RESTRICTIONS) and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve an election governed by Article V hereof, or any action governed by the Articles of Incorporation or by the RESTRICTIONS, notice of such meeting shall be given or sent as therein provided.

Section 4. The presence at the meeting of Members, or their proxies, entitled to cast thirty percent (30%) of the votes of the entire membership shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles of Incorporation or by the RESTRICTIONS, shall require a quorum as therein provided.

ARTICLE XI
PROXIES

Section 1. At all meetings of Members, each Member may vote in person or by proxy except Members may not vote by proxy for elections to the Board of Directors.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of ninety (90) days after the date of the first meeting for which it was given, and every proxy shall automatically terminate upon sale by the Member of his Lot or interest therein in the Development.

Section 3. A Member shall not be entitled to appoint more than one (1) proxy to attend on the same occasion and an instrument of proxy shall be valid only for the occasion for which it is given and may be in the following form or any other form which the Directors shall approve:

I, _____ being a member in good standing of Bay Cove at Heron Bay Homeowners' Association, Inc. hereby appoint _____ as my proxy to vote for me and on my behalf at the meeting of Members to be held at _____ (location), on the _____ day of _____, _____ at _____ (time), and any adjournment(s) thereof.

Signed this _____ day of _____.

Signature of Member

Lot/Site _____, as shown on the approved Plat Exemption for a Portion of Parcel F and Parcel J, Heron Bay Four, in the Development known as Bay Cove at Heron Bay.

ARTICLE XII
BOOKS AND PAPERS

The books, records and papers of the HOMEOWNERS' ASSOCIATION shall at all times, during reasonable business hours, be subject to inspection by any Member.

ARTICLE XIII
CORPORATE SEAL

The HOMEOWNERS' ASSOCIATION shall have a seal in circular form having within its circumference the words:

BAY COVE AT HERON BAY HOMEOWNERS' ASSOCIATION, INC.

ARTICLE XIV
AMENDMENTS

Section 1. These By-Laws may be amended, at any regular or special meeting of the Board of Directors at which there is a quorum, by a vote of a majority of the Directors present in person or by proxy, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation of the HOMEOWNERS' ASSOCIATION may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the RESTRICTIONS may not be amended except as provided in said RESTRICTIONS.

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

Section 3. Notwithstanding the foregoing, no amendment to these By-Laws shall be effective which prejudices or otherwise detrimentally affects any of the rights or privileges of WCI Communities Limited Partnership, a Delaware limited partnership, or its successors or assigns, as Developer of the Development described in the RESTRICTIONS, without Developer's prior written consent.

ARTICLE XV
GENDER

Whenever in these By-Laws the context so requires, the use of any gender shall be deemed to include all genders.

Bay Cove at Heron Bay
 Rules and Regulations

- ◆ Owner's automobiles shall be parked in the garage or driveway. No vehicle, which cannot operate on its own power, shall remain on property for more than twenty-four hours.
- ◆ No repair, except emergency repair shall be made within the community, except in the garage of a Unit.
- ◆ Guest and service personnel must park in the owner's driveway, garage or visitor parking spaces.
- ◆ No street parking is allowed.
- ◆ No parking is allowed in unmarked spaces.
- ◆ Parking in front of the recreational facility is assigned for guest parking only.

Commercial Vehicles

- ◆ No commercial vehicle shall be permitted to be parked in the community for a period of more than four hours per day unless such commercial vehicle is temporarily present and necessary in the actual construction, maintenance, or repair of a Unit or other improvements in the community.
- ◆ No commercial vehicles shall be permitted to be parked overnight or stored in the community unless fully enclosed within a garage.

Recreational Vehicle

- ◆ No recreational vehicle of any kind shall be parked overnight, and no boats, boat trailers, trailers of any kind, campers, motor homes, mobile homes or buses shall be permitted to be parked in the community unless kept fully enclosed within a garage. No vehicle shall be used as a domicile or residence, either temporary or permanent.

551453.1



I hereby certify this document to be a true, correct and complete copy of the record filed in my office. Dated this 27 day of March 1901.
 By J. Jania P. Nance
 Deputy Clerk

EXHIBIT "D"

BAYCOVE AT HERON BAY HOMEOWNER'S ASSOCIATION, INC.

RULES AND REGULATIONS

Letter of violation – First letter will be sent to homeowner when violation has been submitted in writing to property management. Second letter will be sent via registered mail after 15 days if violation has not been corrected or a repeat violation of the same nature. Second letter will state that homeowner has been fined \$25.00 and has 21 days to pay or appeal the fine to the Board of Directors. Homeowner must notify board of their option to appeal in writing and addressed to property management.

If appeal is upheld, homeowner will have 10 days to pay fine. If not received within 10 days, board has the option of adding \$1.00 per day to the fine until paid and may then be added to the homeowner's regular quarterly assessment. If non-payment persists, board has the option of forwarding to attorney for collection or foreclosure.

Violations --

- Parking on the street between 2:00 and 6:00 a.m. Residents must park in driveway or garage at all times. Visitors or workers may not park in street longer than four hours.
- Garbage cans out on non-pickup days. Cans may be put out no earlier than 7:00 p.m. the night before pickup and must be removed no later than 7:00 p.m. the day of pickup. Residents should be aware that all "garbage" should be put in cans with a tightly fitting lid. Non-food items may be placed in black garbage bags.
- Unapproved signs in yard. Only ARB (Architectural Review Board) approved For Sale signs may be used. Call management office for company who can provide approved signs.
- Unapproved changes to outside of home or landscaping; patio additions; screen rooms; pools; play sets, etc. Call for ARB form. Or [Click here](#)
- All pets must be on a leash no longer than six feet when not in the confines of home or fenced yard. Owners also must pick up any pet waste on common area, neighbors' property or owners yard. (Excessive barking should be reported to Parkland police.)
- Portable basketball courts must be removed and placed inside when not in use.
- All other regulations that may be listed in either the Bay Cove or the Heron Bay documents.

Please be aware that these violations are enforceable for the comfort of residents and the beautification of the neighborhood. Any complaints reported to property management are done so on a strictly anonymous basis.

Late fees – All quarterly assessments are due on the first day of the quarter and are considered delinquent on the 15th of the month due. A late charge of \$25.00 will be added to any amounts received after the 15th. After 30 days, homeowner will receive a late notice. The board of directors may determine at any time to turn a delinquent homeowner over to an attorney for collection. At that point, interest begins to accumulate from the time of due date and homeowner will also be liable for attorney fees.

These Rules and Regulations become enforceable upon approval by the Bay Cove Board of Directors and may be changed from time to time.

**Declaration and General
Protective Covenants
for
Heron Bay Community**

THIS INSTRUMENT PREPARED BY/
RECORD AND RETURN TO: WILL CALL

KENNETH Y. GORDON, ESQUIRE
WCI COMMUNITIES LIMITED PARTNERSHIP
3300 UNIVERSITY DRIVE
CORAL SPRINGS, FLORIDA 33065

DECLARATION AND GENERAL PROTECTIVE
COVENANTS FOR HERON BAY COMMUNITY

THIS DECLARATION is made this 28th day of November, 1995 by WCI
COMMUNITIES LIMITED PARTNERSHIP, a Delaware limited partnership, its

W I T N E S S E T H:

WHEREAS, Declarant, having a place of business in Broward County,
Florida, is the developer of a residential community known as the "Heron
Bay Community"; and

WHEREAS, the real property which may ultimately be developed as the
Heron Bay Community is located in the City of Coral Springs, Broward
County, Florida, unincorporated Broward County, Florida, and
unincorporated Palm Beach County, Florida and within the general
boundary of Coral Ridge Drive on the east, the South Florida Water
Management District Levee L-36 on the west, the Sawgrass Expressway on
the south, and Lox Road (State Road 827) on the north and shall be
herein referred to as the "Heron Bay Community" or "HBC" or "Heron Bay";
and

WHEREAS, Declarant by this "Declaration" hereby imposes those
certain protective covenants, conditions and restrictions set forth
herein upon only a portion of the Heron Bay Community which portion of
the Heron Bay Community is legally described on Exhibit "A" attached
hereto and incorporated herein by this reference, and which shall be
herein referred to as the "Committed Property"; and

WHEREAS, Declarant may in the future elect to add or not to add
additional portions of the Heron Bay Community to the Committed Property
and thereby subject such additional portions of the Heron Bay Community
to this Declaration and, as well, to impose additional protective
covenants, conditions and restrictions not set forth in this Declaration
on such additional portions of the Heron Bay Community; and

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all other provisions of this Declaration and the other "Governing Documents" (as that term is hereinafter defined), all of which shall run with the Committed Property and be binding on all parties having any right, title or interest in the Committed Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE 1
DEFINITIONS

1.1 "Additional Lands" shall mean and refer to all or any portion of the real property contained in Heron Bay Community (not currently submitted to this Declaration) and all improvements thereon, and such other real property as Declarant shall acquire from time to time, which Declarant specifically subjects to the terms of this Declaration by Supplement thereto, recorded in the Public Records of Broward County, Florida, as more fully described in Article 2.3-hereof.

1.2 "Articles" shall mean and refer to the Articles of Incorporation of Heron Bay Community Association, Inc., a copy of which is attached hereto as Exhibit "B", as may be amended from time to time.

1.3 "Assessment" or "Assessments" shall mean and refer to any and all charge or charges imposed by the Association in accordance with the provisions of this Declaration, including, but not limited to, assessments to pay Operating Expenses, Neighborhood Expenses and expenses which are the subject of Special Assessments, as more particularly set forth in Articles 6 and 7 of this Declaration.

1.4 "Association" shall mean and refer to the Heron Bay Community Association, Inc., a Florida corporation not for profit, which has its principal place of business in Broward County, Florida, its successors or assigns.

1.5 "Association Common Area" shall mean and refer to all real property including any improvements, amenities, easements, fixtures and facilities thereon owned, leased, controlled or operated by the Association or to which the Association accepts maintenance responsibilities, or the use of which, has been granted to the Association as set forth in this Declaration or a Supplement, or a deed of conveyance, or that hereafter may be conveyed or leased to the Association or to which use rights have been granted to the Association, all as further described in Article 2.4 hereof. By way of example, Association Common Areas may include areas used for landscaping, drainage, recreational areas, open space, walkways, pedestrian and vehicle ingress and egress. The Association Common Area is NOT condominium property under Chapter 718, Florida Statutes.

villa, cluster home, patio or zero lot line dwelling, duplex or multiplex dwelling, or any apartment-type building and whether any of the foregoing are subject to fee simple, cooperative, condominium, rental or other forms of ownership or possession.

1.14 "Governing Documents" shall mean and refer to this Declaration, the Articles, By-Laws, and the Rules and Regulations of the Association, if any, all as filed or recorded, if required, and all as may be amended from time to time. In the event of conflict or inconsistency among the documents, the governing provision shall be that first appearing in the following sequence: this Declaration, the Articles, the By-Laws and the Rules and Regulations.

1.15 "Heron Bay Community", "Heron Bay" or "HBC" shall mean and refer to that certain real property located in the City of Coral Springs, Broward County, Florida, unincorporated Broward County, Florida, and unincorporated Palm Beach County, Florida, and within the general boundary of Coral Ridge Drive on the east, the South Florida Water Management District Levee L-36 on the west, the Sawgrass Expressway on the south, and Lox Road (State Road 827) on the north. Only a portion of the Heron Bay Community is Committed Property under this Declaration, but all or additional portions of the Heron Bay Community may become Committed Property as further set forth in Article 2.3 hereof.

1.16 "Land Segment" shall mean and refer to real property which is a part of the Committed Property and which is not a "Single Family Lot" (as that term is hereinafter defined), or Dwelling Unit and which is designated by Declarant in writing as a Land Segment. Each Land Segment shall have that number of "Property Units" and "Values" (as those terms are hereinafter defined) which are attributed and assigned to it by Declarant in accordance with the provisions of Article 5.3 of this Declaration.

1.17 "Member" shall mean and refer to those "Persons" (as that term is hereinafter defined) who are entitled to membership in the Association, i.e., every Owner and Declarant.

1.18 "Neighborhood" shall mean and refer to each separately developed and denominated portion of the Committed Property designated by Declarant as a Neighborhood in this Declaration, an amendment to this Declaration, a Supplement or Neighborhood Covenants. For example, and by way of illustration and not limitation, each condominium, townhome development, patio home development, or single-family detached housing development may constitute a separate Neighborhood.

1.19 "Neighborhood Association" shall mean and refer to any property owners association, homeowners association, condominium association, or

1.26 "Owner" shall mean and refer to a record owner of any fee interest in any "Plot" (as that term is hereinafter defined) located within the Committed Property, but excluding those having an interest in a Plot merely as security for the performance of an obligation.

1.27 "Person" shall mean and include an individual, corporation, governmental agency, business trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal entity.

1.28 "Plot" shall mean and refer to any of the following property within that portion of the Heron Bay Community which is Committed Property: a platted lot, including, but not limited to, a Single Family Lot, a platted parcel, a Dwelling Unit, a Land Segment; or any quantity of real property, platted or unplatted, including any fixtures, improvements and "Structures" (as that term is hereinafter defined) thereon, capable of being described with such definitiveness that its location and boundaries may be established, which is determined by the Declarant to be used, developed and conveyed as a unit and which is not Association Common Area, Association Limited Common Area, or Neighborhood Common Area.

1.29 "Property Units" shall mean and refer to the number of Dwelling Units which may be constructed on a particular Land Segment and which have been attributed to a particular Land Segment by Declarant, in writing, in accordance with the provisions of Article 5.3 of this Declaration.

1.30 "Recreational Property" shall mean and refer to any portion of the Association Common Area which is designated by Declarant, in its discretion, as Recreational Property and is available to all Members subject to the right of the Association to suspend such rights as provided in the By-Laws.

1.31 "Rules and Regulations" shall mean and refer to the rules and regulations promulgated by the Board, if any, in accordance with the terms of the Governing Documents.

1.32 "Single Family Lot" shall mean and refer to a single family lot shown on a plat recorded in the Public Records of Broward County, Florida, which is part of the Committed Property. Notwithstanding anything contained herein, in the event there is a recorded Declaration of Unity of Title executed by Declarant stating that a Single Family Lot and a portion of a contiguous Single Family Lot or Plot shall "be held and treated as one single parcel of land", such Single Family Lot and portion of such contiguous Single Family Lot or Plot: (a) shall be considered as one (1) Single Family Lot for purposes of this Declaration; and (b) building setbacks and minimum building setback

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1.38. "Vehicle" shall mean and refer to any truck, bus, van, motorcycle, motor scooter, motor bike, commercial vehicle, recreation vehicle, motor home, mobile home, boat, camper, trailer, automobile or other passenger vehicle.

ARTICLE 2
PLANS FOR DEVELOPMENT AND
DECLARANT'S RIGHTS AND POWERS

2.1 General Plan for Development.

(a) General. Declarant is the Owner of the Heron Bay Community and presently plans to develop all or a portion of same as a multiphased development. Portions of the Heron Bay Community will be developed around an eighteen hole championship golf course (the "Golf Course"), which is not and shall not be Committed Property or subject to this Declaration. A portion of Heron Bay is Committed Property under this Declaration and all or a portion of the remainder of Heron Bay may become Committed Property hereunder pursuant to a Supplement or Supplements. Portions of the Committed Property will by this Declaration or Supplement or Supplements be designated Association Common Area or Association Limited Common Area.

(b) Neighborhoods. It is currently anticipated that the Heron Bay Community will be divided into Neighborhoods, each of which shall be subject to Neighborhood Covenants in addition to this Declaration. Certain Neighborhoods will be governed and administered by Neighborhood Associations which shall administer their Neighborhood Common Area and assess their members for their association expenses. When there is a Neighborhood with Association Limited Common Area with no Neighborhood Association to administer the Neighborhood, the Association shall own, maintain, operate, and administer the Association Limited Common Area and assess the Neighborhood Expenses for the operation and needs of the Benefitted Neighborhood to the Owners of each Plot in the Benefitted Neighborhood.

(c) Recreational Property. Portions of the Association Common Area may be developed as Recreational Property operated for recreational purposes; however, neither Declarant nor the Association is obligated by this Declaration to cause any portion of the Heron Bay Community to be developed for such use. If any portion of the Association Common Area is developed as Recreational Property, the use and enjoyment of the Recreational Property shall be available to all Members subject to any Rules and Regulations propounded by Declarant or Association.

(d) Commercial Property. Portions of the Heron Bay Community may be developed for commercial purposes as designated by Declarant in a

this Declaration to such Uncommitted Property, or (iv) do any, all, or none of the above.

(c) The execution and recordation of this Declaration shall not be construed to require Declarant to subject any portions of the Heron Bay Community, other than the Committed Property, to the covenants, conditions, restrictions or other provisions of this Declaration or any other recorded instrument.

(d) If Declarant determines not to add a particular portion of the Heron Bay Community to the Committed Property and Declarant desires to make a statement to this effect of record, Declarant may by its act alone, without the necessity of the joinder of the Association or any Person, place a statement to that effect in the Public Records of Broward County, Florida, in which event such portion of the Heron Bay Community described therein may not become Committed Property and shall not be affected by any of the provisions of this Declaration whatsoever.

(e) Declarant reserves the right, in its sole discretion, so long as it holds the right to annex Additional Lands to the Committed Property pursuant to this Declaration, without the prior notice and without the consent of any Person, to remove by means of a Supplement certain portions of the Committed Property then owned by the Declarant or the Association, from the provisions of this Declaration to the extent originally included in error or as a result of any changes whatsoever in the plans for Heron Bay Community desired to be effected by the Declarant, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for Heron Bay Community.

2.4 Association Common Area and Association Limited Common Area

(a) Association Common Area are those portions of the Committed Property designated as such in this Declaration, a Supplement or other written instrument recorded in the Public Records of Broward County, Florida. Declarant may in its sole discretion, establish Association Common Area for recreational, maintenance, utilities, access, ingress, egress, or other purposes. The Association Common Area shall be only that property designated as such by Declarant.

(b) Certain portions of the Committed Property may be designated by Declarant as Limited Association Common Area and reserved for the exclusive use and enjoyment of the Owners in a particular Neighborhood (the "Benefitted Neighborhood"), and their family, invitees, and guests. Association Limited Common Area are those portions of the Committed Property designated as such in this Declaration, a Supplement, deed conveying the Association Limited Common Area to the Association or other written instrument recorded in the Public Records of Broward County, Florida, including any improvements and fixtures thereon, owned

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maintain and pay for the administration, taxes, insurance, upkeep, repair, replacement and maintenance of such real property, which costs shall be Operating Expenses or Neighborhood Expenses, as the case may be, whether or not such real property is or is not Association Common Area or Association Limited Common Area.

(g) The Association may enter into easement agreements or other use or possessory agreements whereby the Association may obtain the use or possession of certain real property not owned by Declarant, on an exclusive or non-exclusive basis, and included or not included within Committed Property, for certain specified purposes and whereby the Association agrees to maintain and pay for the taxes, insurance, administration, upkeep, repair, replacement and maintenance of such property. The aforesaid expenses shall be an Operating Expense or Neighborhood Expense, as the case may be, whether or not such real property shall be Association Common Area. Prior to the Turnover Date, no such agreement shall be entered into without the prior written consent of Declarant, which consent may be withheld in Declarant's sole discretion.

(h) The Declarant declares, subject to the provisions of this Declaration, including, but not limited to, the provisions of Articles 2.4(a) and 4.1(a) hereof, that the Association Common Area is subject to a perpetual non-exclusive easement in favor of Declarant, the Association, the Neighborhood Associations, the Neighborhoods, the Owners, their family members, guests, invitees, and lessees, to use the Association Common Area for all normal purposes which same is intended for, including, but not limited to, ingress and egress and for the furnishing of services and facilities for which the same are reasonably intended in accordance with the terms of this Declaration. NOTWITHSTANDING ANYTHING CONTAINED IN THIS DECLARATION, DECLARANT, IN ITS SOLE DISCRETION, MAY TERMINATE SUCH EASEMENTS AS TO A PORTION OF THE ASSOCIATION COMMON AREA AND CAUSE SAME TO BECOME NEIGHBORHOOD COMMON AREA(S) OR CAUSE THE USE OF SUCH ASSOCIATION COMMON AREA TO BE LIMITED TO ONLY A PARTICULAR NEIGHBORHOOD(S), BY THE RECORDATION OF AN INSTRUMENT IN THE PUBLIC RECORDS OF BROWARD COUNTY OR PALM BEACH COUNTY, FLORIDA, STATING SUCH FACT AND DESCRIBING SUCH ASSOCIATION COMMON AREA BEING MADE INTO NEIGHBORHOOD COMMON AREA(S) OR BEING LIMITED TO USE BY ONLY A PARTICULAR NEIGHBORHOOD(S), PROVIDED THAT SUCH ACT SHALL NOT DEPRIVE AN OWNER OF A MEANS OF INGRESS AND EGRESS FROM HIS PLOT TO A PUBLICLY DEDICATED ROAD OR OF A MEANS OF BEING FURNISHED THOSE PUBLIC UTILITIES WHICH WERE IMMEDIATELY PRIOR THERETO BEING FURNISHED. Declarant also declares that the Association Common Area are also subject to an easement for ingress and egress in favor of governmental and quasi-governmental entities for the purposes of police, fire, mail, ambulance, garbage collection, municipal or other such governmental services.

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it be used for tournament play, including the possibility of such tournaments being part of a professional golf tour receiving national attention and publicity. Although Declarant does not warrant that such golf tournaments or national publicity will in fact take place, it is Declarant's belief that same shall be in the best interest of Heron Bay Community, including the development of the property values of Heron Bay Community. Declarant reserves the right to impose upon the Association Common Area other easements which are required for the use and enjoyment of the Golf Course. No Owner or Member shall have any right to access the Golf Course by virtue of being an Owner or a Member.

2.6 Recreational Property.

Subject to the terms and provisions of this Declaration and any Rules and Regulations adopted by Declarant or Association regarding the use of Recreational Property and amenities thereon, every Owner and his or her family, tenants and guests shall have the non-exclusive right, privilege and easement of access and the use and enjoyment of any Recreational Property designated as such by Declarant, within the Association Common Area, subject to the right of the Association to suspend such rights as provided in the By-Laws. Declarant makes no representations concerning the establishment or continued operation of any of the Recreational Property.

2.7 Other Entities or Associations.

Declarant shall have the right and the power, but neither the duty nor the obligation, to record instruments subjecting portions of the Heron Bay Community to Neighborhood Covenants or provisions other than those provided for in this Declaration. Such provisions may or may not create Neighborhood Associations or entities other than the Association. Such other entities may or may not have the same, additional, or different rights, powers, duties or privileges with respect to such portions of the Heron Bay Community; provided, however, that any such recorded instrument may subject such portions of the Heron Bay Community to the jurisdiction of the Association, and may make the Owners of such portions of the Heron Bay Community Members of the Association under such terms and conditions as may be provided therein, which may be the same as, or substantially different from, the terms and conditions of membership as provided herein.

2.8 Enforcement.

(a) Declarant reserves unto itself and its designees the right and the power (i) to enforce the covenants, conditions, restrictions, and other provisions of this Declaration, and (ii) to delegate or assign, either exclusively or non-exclusively, any or all of its rights, powers, duties or privileges hereunder to a Person, the Association, a

affiliated and subsidiary entities) and its successors and assigns, officers, directors and employees, shall not in any case be liable or responsible to such Owner or any other party to that proceeding for the payment or reimbursement of that Owner's or party's damages, attorneys' fees or costs associated therewith.

2.9 Declarant's Inaction.

Neither the execution and recordation of this Declaration, nor the creation of any Neighborhood Associations or Neighborhood Committees, or other entity, nor the recordation of any other instrument subjecting any land in the Committed Property to protective covenants, conditions or restrictions or other provisions shall obligate or require (i) Declarant to grant any right, power, duty or privilege of any nature or kind to the Association, or to any other entity, or (ii) Declarant to perform any act permitted by this Declaration or by any other recorded instrument, or to enforce any covenant, condition, restriction or other provision hereof or thereof, or to do anything which it does not, in its sole discretion, elect to do so.

2.10 Changes in Use or Boundaries.

Declarant shall have the right, by an amendment or Supplement executed by Declarant alone, without the consent of the Association or the Owners, to take such action as may be required to relocate portions of, change the use or extent of use, or modify the boundaries of any of the Association Common Area, Association Limited Common Area, any Neighborhood Common Area, or any Plot which Declarant is the Owner thereof, notwithstanding that such portions of the Association Common Area, Association Limited Common Area, Neighborhood Common Area, or Plot which Declarant is the Owner thereof, may be or may affect Committed Property.

2.11 Assignment.

Declarant reserves the right, and the power, to delegate or assign, either exclusively or non-exclusively, to any Person, any or all of its rights, powers, duties or privileges created or provided for by this Declaration or by any other recorded instrument. **DECLARANT SHALL BE UNDER NO OBLIGATION TO DELEGATE OR ASSIGN ANY OF ITS RIGHTS, POWERS, DUTIES AND PRIVILEGES CONTAINED IN THIS DECLARATION TO ANY PERSON OR ENTITY.** All such assignments shall be by a written instrument executed by Declarant.

approval. Failure to obtain approval by Declarant of all such plans, proposals, specifications and plot plans prior to the commencement of any construction shall be deemed a material breach hereof and Declarant shall then have the right, in addition to any other rights permitted by law or in equity or in the Governing Documents, to proceed in the courts to obtain a mandatory injunction requiring any construction done without said approval to be torn down or removed forthwith. Declarant reserves the right to modify or enlarge this submission and approval process as it may relate to any particular Neighborhood.

(d) All plans, specifications, proposals, elevations and the like, required to be submitted pursuant to this Article 3.2 shall be prepared, executed and sealed by an architect duly licensed by the State of Florida.

(e) The approval, rejection or withholding of any approval by Declarant of the plans, specifications, proposals and the like, and the location of all Structures, and every alteration of any Structure, shall not be construed or interpreted as a representation or determination by Declarant that any building, plumbing, electrical code or other applicable governmental regulations or requirements have or have not been properly met by the Owner, it being understood that the approval of Declarant relates only to the aesthetics of the improvements shown on the plans and specifications, proposals and the like, and not to their sufficiency or adequacy. Each Owner shall be responsible for obtaining all necessary technical data and to make application to and obtain the approval of the appropriate City or County Building Department, and any other appropriate governmental agencies prior to commencement of any work or construction.

NO APPROVAL OF PLANS AND SPECIFICATIONS SHALL BE CONSTRUED AS REPRESENTING OR IMPLYING THAT SUCH PLANS AND SPECIFICATIONS WILL, IF FOLLOWED, RESULT IN PROPERLY DESIGNED OR CONSTRUCTED IMPROVEMENTS. SUCH APPROVALS AND STANDARDS SHALL IN NO EVENT BE CONSTRUED AS REPRESENTING OR GUARANTEEING THAT ANY DWELLING UNIT OR OTHER IMPROVEMENT BUILT IN ACCORDANCE THEREWITH WILL BE BUILT IN A GOOD AND WORKMANLIKE MANNER. NEITHER DECLARANT, NOR THE ASSOCIATION SHALL BE RESPONSIBLE OR LIABLE FOR (i) ANY DEFECTS IN ANY PLANS OR SPECIFICATIONS SUBMITTED, REVISED OR APPROVED PURSUANT TO THE TERMS OF THIS ARTICLE 3.2, (ii) ANY LOSS OR DAMAGE TO ANY PERSON ARISING OUT OF THE APPROVAL OR DISAPPROVAL OF ANY PLANS OR SPECIFICATIONS, (iii) ANY LOSS OR DAMAGE ARISING FROM THE NON-COMPLIANCE OF SUCH PLANS AND SPECIFICATIONS WITH ANY GOVERNMENTAL ORDINANCES AND REGULATIONS, OR (iv) ANY DEFECTS IN CONSTRUCTION UNDERTAKEN PURSUANT TO SUCH PLANS AND SPECIFICATIONS.

(f) Declarant shall have no duty, responsibility or liability to any Owner or to any other Person whomsoever in respect to the exercise of its rights, or the failure to exercise its rights, under the

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Declarant, whose decision shall be final and which approval may be withheld in Declarant's sole discretion.

3.5 Landscaping.

All areas not covered by Structures, walkways or paved parking facilities shall be maintained as lawn or landscape areas, with underground sprinkler systems, to the pavement edge of any abutting streets and to the water line of any abutting lakes, canals or water bodies. No stone, gravel, or paving of any type shall be used as a lawn unless approved as part of the final landscape plan. All landscaping shall be accomplished in accordance with a plan approved by Declarant. The determination of whether adequate provision has been made for landscaping shall be at the sole discretion of Declarant. All required lawns and landscaping shall be completed at the time of completion of the Structure as evidenced by the issuance of a Certificate of Occupancy, or its equivalent, by the appropriate governmental agency ("Certificate of Occupancy"), and shall be kept in good and living condition by Owner.

3.6 Driveways and Parking Areas.

Driveways and parking areas shall be constructed of decorative concrete, paver block, or brick material. Loose stone is prohibited. Declarant may, in its sole and absolute discretion, approve the use of additional materials. Grass or other unpaved driveways or parking areas shall not be permitted. Declarant reserves the absolute right to be more restrictive with regard to driveways and parking areas in a particular Neighborhood.

3.7 Underground Utility Lines.

All electric, telephone, gas, cable television and other utility lines shall be installed underground.

3.8 Antennas and Flagpoles. Except as otherwise provided herein, no outside antennas, antenna poles, antenna masts, electronic devices, antenna towers or satellite dishes shall be permitted; except satellite dishes eighteen (18") inches or smaller may be permissible but only with the prior written approval of Declarant, as to location and whose decision shall be final. Placement of the aforesaid items within any screened enclosure on the Plot shall be permitted so long as there is appropriate landscaping and/or other screening. The decision of what constitutes adequate landscaping and/or screening shall be made by Declarant, whose decision shall be final. No more than one (1) flagpole per Plot for display of the American flag only will be permitted and the flagpole design and location must be first approved in writing by Declarant. An approved flagpole shall not be used as an antenna. No

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identification signs and required governmental signs (i.e., stop sign, yield sign, etc.) shall be permitted to be located on any Plot. Builder identification signs and lot identification signs approved by Declarant shall be permitted to be located on a Plot during construction of the Structure on such Plot.

3.14 Walls, Fences and Shutters.

No wall or fence shall be constructed with a height of more than five (5) feet above the ground level of an adjoining Plot except walls or fences constructed by Declarant or its designees, and no hedge or shrubbery abutting the Plot lines shall be permitted with a height of more than eight (8) feet without the prior approval of Declarant. No wall or fence shall be constructed on any Plot until its height, length, type, design, composition, material and location shall have first been approved by Declarant as set forth in Article 3.2 hereof. The height of any wall or fence shall be measured from the existing property elevations. Any dispute as to height, length, type, design, composition or material shall be resolved by Declarant, whose decision shall be final. Hurricane, storm or weather shutters or shades shall not be stored (as opposed to installed) on the exterior of any Structure without the approval of Declarant and all such shutters or shades on any one (1) Plot shall be uniform in character.

3.15 Lighting.

All exterior lighting of a Plot shall be accomplished in accordance with a lighting plan approved in writing by Declarant.

3.16 Mailboxes.

Prior to the installation or placement of a mailbox on a Plot or any portion thereof, the style, material and color of the mailbox shall be approved by Declarant. Declarant retains the right to require that all mailboxes and posts, or the mailboxes of a particular Neighborhood, be standard in appearance.

3.17 Clothes Drying Areas.

No outdoor clothes drying area shall be allowed. The hanging of laundry, clothing, rugs, or any other articles on any railing, fence, hedge, or wall is prohibited.

3.18 Vehicles.

(a) No "commercial vehicle" (as such term is defined in Section 18-5 of the City of Coral Springs Code, in effect on the date of recrdation of this Declaration) (i) shall be permitted to be parked on

make such improvements or corrections as may be necessary, the costs of which shall be paid by the Association, Neighborhood Associations or Owner, as the case may be, or Declarant may bring an action at law or in equity. Such entry by Declarant or its agents shall not be a trespass and by acceptance of a deed for a Plot or Dwelling Unit in Committed Property, such party has expressly given the Declarant the continuing permission to do so, which permission may not be revoked. If any Owner, the Association or Neighborhood Associations fails to make payment within fifteen (15) days after request to do so by Declarant, the payment requested shall be a lien in accordance with the provisions of Article 6 hereof.

3.21 Waterbodies.

(a) No Structure of any kind shall be constructed or erected, nor shall Owner in any way change, alter, impede, revise or otherwise interfere with the flow and the volume of water, in any portion of any waterbody reserved for, or intended by Declarant or NSID to be reserved for, drainage ways, sluiceways or for the accumulation of runoff waters, as reflected in any plat, this Declaration, Supplement or other instrument of record, without the specific written permission of Declarant or NSID.

(b) Owner shall in no way deny or prevent ingress and egress to such water bodies for maintenance or landscape purposes by Declarant, NSID, Association or any appropriate governmental agency that may reasonably require any right of ingress and egress, and easements therefore are hereby specifically reserved and created, as described in this Declaration.

(c) No Plot shall be increased in size by filling in any water or retention or drainage areas on which it abuts. Owner shall not fill, dike, rip-rap, block, divert or change the established water or retention or drainage areas that have been or may be created by easement or by plat without the prior written consent of Declarant, which consent may be withheld in Declarant's or NSID's sole discretion.

3.22 Nuisances.

Nothing may or shall be done on Committed Property which may be or may become an annoyance or nuisance to any Person or to a Neighborhood. No obnoxious, unpleasant, unsightly or offensive activity shall be carried on, nor may anything be done, which can be reasonably construed to constitute a nuisance, public or private in nature. Any question with regard to the interpretation of this Article 3.22 shall be decided by Declarant whose decision shall be final.

in compliance with applicable governmental requirements, or sprinkler systems for any portions of the Committed Property. Further excepted is excavation for swimming pools or spas constructed in accordance with the provisions of this Declaration.

3.26 Outdoor Recreational Courts.

(a) No outdoor recreational courts, including, but not limited to, tennis, racquetball, basketball, volleyball or badminton courts shall be permitted; unless first approved by Declarant, which approval may be in Declarant's sole discretion be withheld; however, Declarant, subject to Section 3.26(b) hereof, shall permit a standard regulation basketball backboard and metal pole which are located adjacent to the Dwelling Unit's permitted driveway. The decision of what constitutes adjacent shall be made by Declarant, whose decision shall be final. Game court lighting shall only be permitted upon conditions specified by Declarant, including, but not limited to, designation of the hours of illumination. All game court lighting must be first approved by Declarant, which approval may in Declarant's sole discretion be withheld.

(b) Prior to the erection of a basketball backboard or pole on the Plot, the material, location and color of same shall be approved by Declarant. An approved basketball backboard and pole shall be located adjacent to the Dwelling Unit's permitted driveway. Basketball backboards are prohibited from being attached to the Dwelling Unit.

3.27 Above Ground Pools, Spas and Hot Tubs.

Above ground swimming pools, spas and hot tubs are prohibited, except placement of spas or hot tubs may be permitted so long as there is appropriate landscaping and/or screening. The decision of what constitutes appropriate landscaping and/or screening shall be made by Declarant, whose decision shall be final.

3.28 Decorative Objects.

No decorative objects such as weathervanes, sculptures, birdbaths, fountains and the like shall be placed or installed on a Plot without Declarant approval.

3.29 Time-Sharing.

No portion of the Committed Property shall be used for real estate time sharing, interval ownership or "time-share plan" of any type. For purposes of this section, a time-share plan shall be as defined in Section 721.05(28), Florida Statutes (1989).

gatehouses, if any, (whether or not Committed Property or Association Common Area) serving the Heron Bay Community. The costs so paid by Declarant, if any, may be part of or may be in excess of the costs therefore as provided in the Budget adopted by the Association. In the event Declarant elects to pay for all or a portion of the costs of staffing such gatehouse it may, in its sole and absolute discretion, and upon sixty (60) days notice to the Association cease paying for same. In this event, such costs would be paid for by the Owners or such staffing may cease. This Article 3.32 may not be suspended, superseded or modified in any manner unless such amendment is consented to by Declarant in writing. These rights of use and transaction of business as set forth in the Governing Documents, like Declarant's other rights herein, and other rights reserved by Declarant in the other Governing Documents, may be assigned in writing by Declarant, in whole or in part, when and to whom Declarant determines in its sole discretion.

3.33 Declarant's Exculpation and Approvals.

Declarant may grant, withhold or deny its consent, permission or approval in any instance when its consent, permission or approval is permitted or required, at its sole discretion, and without any liability of any nature or kind, to Owner or any other Person for any reason whatsoever. Every consent, permission or approval by Declarant under this Declaration shall be in writing and binding upon all Persons.

3.34 Subdivision and Regulation of Land.

(a) No Plot shall be divided or subdivided without the prior consent of Declarant, who may impose certain requirements on Owner as a condition of consent. Declarant shall have the right to assign the number of Property Units for each Plot, notwithstanding anything contained herein, and the number of Property Units assigned to a Plot by Declarant shall not be increased and shall not be exceeded without the prior approval of Declarant.

(b) No covenant, condition, restriction or other provision of this Declaration shall be construed as in any manner limiting or preventing any Plot, and the improvements thereon, from being submitted to a plan of condominium ownership; and particularly a condominium shall not be construed as constituting a subdivision of any Plot provided that the number of Property Units of the condominium is not greater than the number of Property Units assigned to the Plot.

(c) An Owner (other than Declarant) shall not inaugurate or implement any variation from, modification to, or amendment of Declarant's development plan, or governmental regulations, land use plans, land development regulations, zoning, development orders or development permits applicable to the Heron Bay Community.

ARTICLE 4
PROPERTY RIGHTS
Association COMMON AREA;
Association LIMITED COMMON AREA
AND
WATERBODIES

4.1 Members Rights and Easements.

(a) Association Common Area. Every Member shall have a non-exclusive right and easement of enjoyment and use in and to the Association Common Area, which right and easement shall be appurtenant to and shall pass with the title to every Plot, subject to:

(i) the right of the Association to charge reasonable admission and other fees for the use of any Association Common Area;

(ii) the right of the Association to suspend a Member's right to the use of Association Common Area, for any period during which any Assessment against the Member's Plot or any obligation of the Member to the Association remains unpaid, and for a reasonable period during or after any infraction of the Association's rules and regulations; provided, however, that the Association shall not deny a Member access to his Plot;

(iii) the right of the Association or Declarant to dedicate or transfer or to grant an easement or license to all or any part of the Association Common Area to any governmental agency, public authority, or utility (which right shall not be exercised by Association without Declarant's prior written approval);

(iv) the right of the Declarant or Association to borrow money for the purpose of improving the Association Common Area and in aid thereof to mortgage the Association Common Area in accordance with the terms hereof;

(v) the right of Declarant or the Association to take such steps as are reasonably necessary to protect the Association Common Area against foreclosure;

(vi) the right of Declarant or the Association to limit the number of guests who may use the Association Common Area and the number of times a Member may delegate its rights under Article 4.2 of this Declaration; and

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4.2 Delegation of Right.

(a) A Member may delegate his right of use in and to the Association Common Area and in and to the Association Limited Common Area, if applicable, to the members of his family, to residential tenants who reside in or on the Member's Plot and to the Member's guests, but only to the extent and subject to conditions, limitations and restrictions as may be provided for in the Governing Documents. Any delegation of right hereunder also gives rise to an obligation on the part of the party to whom the right is delegated to comply with and be governed by the Governing Documents.

(b) Each Member shall be responsible for the actions of any Person to whom the Member has delegated his right to use the Association Common Area, or Association Limited Common Area, or who is acting under the apparent authority of any Member to use the Association Common Area or Association Limited Common Area. Any unpaid charge against such Person shall be charged against such Member personally and be assessed against such Member's Plot. Any infraction of the Association's Rules and Regulations by such Person shall be deemed to be an infraction by such Member.

4.3 Conveyance and Use.

(a) Any real property conveyed, leased, or the use of which has been granted by Declarant or any third party, as provided in this Declaration, to the Association as Association Common Area or Limited Association Common Area, is not and shall not by such conveyance, lease or grant be deemed dedicated for use by the general public but is, and shall be, deemed restricted for the common use and enjoyment of the Person or entities granted easement rights under the provisions of this Declaration or the other Governing Documents.

(b) Declarant may convey, or cause to be conveyed, property including, but not limited to, all or a portion of the Association Common Area and Association Limited Common Area, to the Association in either an improved or an unimproved condition, with or without any specific restrictions on its use, and Association must accept such property, subject to: this Declaration, Supplement and all other Association documents; real estate taxes for the year of such conveyance and subsequent years; all applicable zoning ordinances and other land use regulations; such facts as an accurate survey would show; all covenants, agreements, easements, restrictions and reservations now or hereafter placed of record. The Association agrees to accept "As Is" the conveyance of the Association Common Area, Association Limited Common Area, and the personal property and improvements appurtenant thereto, without any representation or warranty, express or implied, in fact or by law, as to the condition or fitness of the Association Common

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provide for the maintenance and landscaping of any abutting public road rights of way.

(e) Additionally, the Association shall have the right to enter into an agreement or agreements with any governmental entity, including without limitation, the City of Coral Springs, Florida, to provide for the enforcement of traffic regulations in the Heron Bay Community.

4.5 Declarant's Rights and Powers.

(a) Declarant shall have the right and the power to regulate and control the external design and appearance of the Association Common Area and Association Limited Common Area in such a manner as (i) to promote a quality environment and (ii) to foster the attractiveness and functional utility of Committed Property as a place to live, work and play, including a harmonious relationship among Structures, vegetation and topography.

(b) The Association Common Area and Association Limited Area shall be subject to the provisions of Article 3 hereof. The uses of the Association Common Area, and Association Limited Common Area shall be in conformity with the uses permitted in Article 3; provided, however, that in Declarant's sole discretion, which discretion may not be waived, any of the provisions of Article 3 hereof may not be applicable to any property owned by Declarant, Association Common Area, Association Limited Common Area or Neighborhood Common Area.

(c) No nuisance or obnoxious or offensive activity shall be placed or conducted or permitted on any Association Common Area or Association Limited Common Area. Nothing shall be done within the Association Common Area, Association Limited Common Area or Neighborhood Common Area which may be or become a nuisance to residents or Members or interfere with the play of golf tournaments on the Golf Course. The Declarant shall have the right and the power in the exercise of its discretion to determine what activities or uses constitute nuisances, unsightly objects, or obnoxious or offensive activity.

(d) Until the Turnover Date, any use of Association Common Area or Association Limited Area shall be subject to the prior written approval of Declarant and any dispute as to the permissibility of a use shall be determined by Declarant.

4.6 Maintenance of Association Common Area.

(a) The Association shall be responsible for the maintenance, repair and replacement of the Association Common Area, and shall keep the same in good, safe, clean, attractive and sanitary condition, order and repair at all times. Notwithstanding anything contained herein to

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request that the Association provide a higher level of service or special services for the maintenance, upkeep, and operation of the Association Limited Common Area in such Benefitted Neighborhood. The Association shall then provide such services and the cost of such services shall be assessed as a Neighborhood Expense against the Owners of a Plot in the Benefitted Neighborhood.

4.8. Maintenance of Lakes, Waterbodies, Canals and Secondary Drainage.

The provisions of this Article 4.8 shall be applicable to the maintenance of the lakes, canals and secondary drainage facilities located on the Committed Property, whether or not same is a part of the Association Common Area.

(a) Application of herbicide for aquatic weed control on the lakes and canals of the Committed Property shall in all instances be performed by or through NSID. ANY PERSONS WHO USE ANY HERBICIDE-TREATED WATER DO SO AT THEIR OWN RISK AND SHALL HOLD DECLARANT, THE ASSOCIATION AND THE NEIGHBORHOOD ASSOCIATIONS HARMLESS FROM ANY CLAIM OR LOSS ARISING THEREFROM, WHETHER SUCH CLAIM OR LOSS PERTAINS TO A PERSON, ANIMAL, OR ANY PROPERTY.

(b) The cost and expense of applications of herbicides for aquatic weed control, in excess of the normal NSID application thereof (as determined by NSID), for the lakes and canals located upon the Committed Property shall be an Operating Expense. All such determinations as to additional applications of herbicides shall be made by the Association with NSID's prior approval.

(c) THE COST AND EXPENSE OF MAINTAINING AND CLEARING ALL "SECONDARY DRAINAGE FACILITIES" (AS SAME MAY BE DEFINED BY DECLARANT) ON COMMITTED PROPERTY SHALL BE AN OPERATING EXPENSE AND THE COST AND EXPENSE OF MAINTAINING AND CLEARING DRAINAGE FACILITIES NOT ON COMMITTED PROPERTY, BUT WHICH ARE NECESSARY FOR THE PROPER FUNCTIONING AND OPERATION OF THE "SECONDARY DRAINAGE FACILITIES" ON THE COMMITTED PROPERTY, SHALL BE AN OPERATING EXPENSE.

(d) Either Declarant or Association, which determination shall be made by Declarant, shall enter into an agreement with NSID regarding the matters set forth in this Article 4.8.

4.9 Use of Lakes, Canals and Other Water Bodies.

(a) To the extent not governed by the District, the Association shall have the right to promulgate and enforce Rules and Regulations concerning the use of the lakes, canals or any water body in the Committed Property.

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number. One (1) vote may be cast for each Value assigned to a Land Segment. Declarant may cast a number of votes equal to the maximum number of Dwelling Units permitted to be constructed by applicable governmental authorities on Committed Property owned by Declarant. If two (2) or more Members are the Owners of a Plot, then the Member who shall be entitled to cast the vote shall be determined by the method provided for in the By-Laws.

5.3 Property Units and Values.

(a) Declarant shall, upon or before its conveying legal title to a Land Segment, by the recordation of an instrument in the Public Records of Broward County, Florida, containing provisions to such effect, attribute an amount of Property Units to such Land Segment or shall do so by attributing Property Units to a Land Segment in a Supplement or Neighborhood Covenants. The number of Property Units which Declarant shall so attribute to a Land Segment shall be the maximum number of Dwelling Units that may be built on such Land Segment unless amended by an instrument and recorded by Declarant, in its sole discretion, stating that a greater or lesser number of Dwelling Units may be built on the Land Segment. Declarant shall incur no liability whatsoever and shall be held harmless by the Association and Owners in the event that the number of Dwelling Units built upon such Land Segment is more or less than the number attributed by Declarant.

(b) Upon Declarant's conveyance of legal title to the Land Segment to an independent third party ("Segment Owner"), the Land Segment shall be a "Contributing Plot" (as that term is hereinafter defined).

(c) Until such time as set forth by Declarant in the instrument attributing the Property Units to such Land Segment, there shall be assigned a Value of one (1.00) for each acre or fractional acre of such Land Segment (time periods for different Land Segments may vary, if Declarant in its discretion determines). Upon the expiration of such time period the number of Values assigned to a Land Segment shall be equal to the number of Property Units assigned thereto. Notwithstanding the foregoing, Declarant may, in its sole discretion, determine that the number of Values assigned to such Land Segment shall immediately upon the conveyance of legal title to such third party be equal to the number of Property Units assigned thereto, in which event the instrument attributing the Property Units to such Land Segment shall so state this fact.

(d) The number of Property Units assigned to the Land Segment shall be reduced (a Property Unit reduced ["Reduced"] by a Dwelling Unit pursuant to the provisions hereof shall herein be referred to as a "Reduced Property Unit") by one (1) for each Dwelling Unit built on the Land Segment and given a Certificate of Occupancy by the applicable

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ARTICLE 6
ASSESSMENTS
COVENANT TO PAY ASSESSMENTS FOR OPERATING
EXPENSES AND NEIGHBORHOOD EXPENSES;
ESTABLISHMENT AND ENFORCEMENT OF LIENS;
AND CERTAIN RIGHTS OF DECLARANT

6.1 Affirmative Covenant to Pay Operating Expenses and Neighborhood Expenses.

In order to (1) fulfill the terms, provisions, covenants and conditions contained in the Governing Documents; and (2) maintain, operate, preserve and improve the Association Common Area for the recreation, use, welfare and benefit of the Association, Neighborhood Associations and Owners and their guests, invitees, lessees and licensees, there is hereby imposed upon each "Contributing Plot" (as that term is hereinafter defined in Article 7.2 hereof) and each Owner of a Contributing Plot the affirmative covenant and obligation to pay to the Association (in the manner herein set forth) all Assessments (as hereinafter provided) including, but not limited to, the "Individual Plot Assessments" and "Special Assessments" as hereinafter provided. The Owner of each Contributing Plot shall be obligated to pay the Assessment allocated to its Plot to the Association when such Assessment is due in accordance with the terms hereof. The Association shall collect Assessments directly from Owners. Each Owner by acceptance of a deed or other instrument of conveyance conveying a Plot, whether or not it shall be so expressed in such deed or instrument, shall be obligated and agrees to pay to the Association all assessments for Operating Expenses and Neighborhood Expenses and all late fees in accordance with the provisions of this Declaration and consents and agrees to the lien rights hereunder against such Plot. The liability for Assessments for Operating Expenses and Neighborhood Expenses or late fees may not be avoided by waiver of the use or enjoyment of Association Common Area or Association Limited Common Area or by abandonment of the Plot for which the Assessments are made.

6.2 Establishment of Liens.

Any and all Assessments, late fees as provided herein, and costs of collection, including, but not limited to, reasonable attorneys' fees at the investigative, trial and appellate levels, are hereby declared to be a charge and continuing lien upon the Plot against which each such Assessment is made. Each Assessment against a Plot, late fees as provided herein, and costs of collection thereof, including attorneys' fees at the investigative, trial and appellate levels, shall be the personal obligation of the Owner of each such Plot assessed. Said lien shall be effective only from and after the time of the recordation

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forth above. The remedies (including, but not limited to, recovery of attorneys' fees) are hereby declared to be available to Declarant.

6.5. Rights To Pay Assessments and Receive Reimbursement.

Declarant shall have the right, but not the obligation, jointly or singly, and at their sole option, to pay any of the Assessments which are in default and which may or have become a charge against any Plot. Further, Declarant shall have the right, but not the obligation, at its sole option, to pay insurance premiums or fidelity bond premiums or other required items of Operating Expenses or Neighborhood Expenses on behalf of the Association when the same are overdue and when lapses in policies or services may occur. Declarant shall be entitled to immediate reimbursement for such overdue Operating Expenses or Neighborhood Expenses so paid from the Association plus any costs of collection including, but not limited to, reasonable attorneys' fees.

6.6. Late Fees.

The Board of Directors shall establish late fees payable upon the failure of any Owner to pay Assessments, or any installments thereof, charged to such Owner. Unless and until changed by the Board the late fee shall be at a rate of two dollars (\$2.00) per diem per Individual Plot Assessment, commencing from the due date of the Assessment until the delinquent Assessment and all associated costs are paid. The amount and terms of such late fees may be modified by the Board of Directors as it may designate from time to time in its sole discretion. All late fees are a charge and continuing lien upon the Plot against which each such late fee is levied and may be collected in the same manner or collection of delinquent assessments.

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ARTICLE 7
METHOD OF DETERMINING ASSESSMENTS

7.1 Determining Amount of Assessments.

(a) Budget. The total anticipated Operating Expenses and Neighborhood Expenses for each calendar year shall be set forth in a budget (the "Budget") adopted by the Association not later than December 1st of the calendar year preceding the calendar year for which the Budget is being adopted.

(b) Individual Plot Assessment. The total anticipated Operating Expenses or the Total Interim Operating Expenses during the "Interim Period" (hereinafter defined) (other than those Operating Expenses which are properly the subject of a Special Assessment, as hereinafter set

Association for Operating Expenses during such Interim Period. Thereafter, should Declarant elect to extend the Interim Period as aforesaid, the amount of such Interim Assessment during such extended Interim Period shall be the amount set forth by Declarant in the notice to the Association. Notwithstanding anything contained herein, the Interim Period shall terminate upon the Turnover Date. Notwithstanding anything contained herein, upon the termination of the Interim Period or any extensions thereof, there shall be assigned to each acre of Committed Property owned by Declarant which is not a Neighborhood Common Area or a Association Common Area, a Value of one (1.00) notwithstanding whether any of such acreage has been platted into Single Family Lots or contain Dwelling Units, and no additional Value shall be assigned to such Single Family Lots or Dwelling Units owned by Declarant. The provisions of this subparagraph (c) may not be amended without Declarant's prior written consent. The Association shall exercise its collection and lien rights hereunder only against the particular Plot Owner who has not paid his portion of the Assessment.

(e) Any income accruing to the Association during the Interim Period due to rental of Association Common Area or any other purpose shall be credited against any amount that Declarant may have to pay to the Association during the Interim Period.

7.2 Contributing Plots.

For purposes of determining Assessments, each Plot not a Association Common Area, Association Limited Common Area, or Neighborhood Common Area or not owned by a governmental entity, shall be a Contributing Plot, except a Dwelling Unit shall not be a Contributing Plot until it has received a Certificate of Occupancy. Unless Declarant opts and elects to pay Individual Plot Assessments in accordance with Article 7.1(c) above notwithstanding anything contained herein, a Plot owned by Declarant shall not be a Contributing Plot during the Interim Period or any extension or renewal thereof nor shall said Plot(s) ever be subject to Special Assessments. Only Contributing Plots shall be assessed Assessments as set forth in this Declaration.

7.3 Assessment Payments.

The Individual Plot Assessment shall be an annual Assessment payable in advance subject to the right of the Board to permit payment of the Individual Plot Assessment in installments so long as same is paid on a current basis. If such an installment is not paid on a current basis when due, then the entire Individual Plot Assessment shall be due and payable in its entirety. The Individual Plot Assessments and installments thereof, if any, may be adjusted from time to time by the Association to reflect changes, including, but not limited to, changes in the number of Values for Contributing Plots. When a Contributing

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(c) There shall be assigned to each Land Segment in the particular Neighborhood that is a Contributing Plot an amount of Value as set forth in Article 5.3 hereof.

(d) The Assessment for Neighborhood Expenses for each Plot in a particular Neighborhood shall be the product arrived at by multiplying the total anticipated Neighborhood Expenses for a particular Neighborhood as reflected by the Budget, other than those Neighborhood Expenses which are properly the subject of a Special Assessment, by a fraction, the numerator of which is the Value assigned to the Contributing Plot as set forth above and the denominator of which shall be the total of all Values assigned to all Contributing Plots in existence in that particular Neighborhood as of the date the Budget was adopted. The total number of Contributing Plots will be adjusted from time to time in accordance with this Declaration. All questions regarding the number of Contributing Plots in existence shall be determined by the Association.

7.6. Liability of Contributing Plot Owners for Assessments.

By the acceptance of a deed or other instrument of conveyance of a Plot, each Owner, other than Declarant, acknowledges that each Contributing Plot, and the Contributing Plot Owners thereof, are jointly and severally liable for their Individual Plot Assessment, including, but not limited to, their applicable portion of any Special Assessments and all Assessments for which they are liable as provided herein. Such Owners further recognize and covenant that they are jointly and severally liable with the Owners of all Contributing Plots for the Operating Expenses and with the Owners of all Contributing Plots in their Neighborhood for Neighborhood Expenses. Accordingly, it is recognized and agreed by each Owner, who is or becomes a Contributing Plot Owner, for himself and his heirs, executors, successors and assigns that in the event Contributing Plot Owners fail or refuse to pay their Individual Plot Assessment, or any portion thereof, or their respective portions of any Special Assessments or other Assessments or portions thereof, then the other Contributing Plot Owner may be responsible for increased Individual Plot Assessments due to the nonpayment by such other Contributing Plot Owners, and such increased Individual Plot Assessment or Special or other Assessment can and may be enforced by the Association and Declarant in the same manner as all other Assessments hereunder, as provided in this Declaration.

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(2) such insurance may also afford protection against such other risks as are customarily covered with respect to areas similar to the Association Common Area and serving such function.

(ii) A comprehensive policy of public liability insurance and, if appropriate, owners, landlord and tenant policies naming the Association and, until the Turnover Date, the Declarant as named insured thereof, insuring against any and all claims or demands made by any Person or Persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Association Common Area and any improvements and buildings located thereon, and for any other risks insured against by such policies with limits of not less than One Million Dollars (\$1,000,000.00) for damages incurred or claimed by any one Person for any one occurrence and not less than Two Million Dollars (\$2,000,000.00) for damages incurred or claimed for any one occurrence and for not less than Two Hundred Fifty Thousand Dollars (\$250,000.00) property damage per occurrence with no separate limits stated for the number of claims. Such coverage shall include as appropriate, without limitation, protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, liability for false arrests, liability for electronic monitoring systems, libel and slander liability, host liquor liability and such other risks as are customarily covered with respect to areas similar to the Association Common Area in developments similar in construction, location and use.

(iii) Such other forms of insurance and in such coverages as the Association shall determine to be required or beneficial for the protection or preservation of the Common Area and any buildings and improvements now or hereafter located thereon or in the best interests of the Committed Property or the Association.

(d) Reconstruction of Structures or Improvements.

Any and all sums necessary to repair, replace, construct or reconstruct any Structure or improvements upon the Association Common Area damaged by any casualty not covered in whole or in part by insurance. Any difference between the amount of insurance proceeds received with respect to such damage, and the amount of funds necessary to repair, replace, construct or reconstruct the building or improvement so damaged shall be an Operating Expense provided same shall be the subject of a Special Assessment, and the Association will levy a Special Assessment for the funds necessary to pay such Operating Expense within ninety (90) days from the date such damage was incurred.

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8.2 Neighborhood Expenses. The Neighborhood Expenses to be funded by Neighborhood Assessments for the maintenance, repair, replacement, operation and upkeep of the Association Limited Common Area in a particular Neighborhood, in which the Contributing Plot Owners are obligated to pay, as provided herein or as may be otherwise provided in the Governing Documents, include, but are not limited to, the following expenses of the Association Limited Common Area for the particular Neighborhood.

(a) Taxes.

Any and all taxes and special assessments levied or assessed at any and all times upon the Association Limited Common Area or other property owned by the Association, or any improvements thereto or thereon by any and all taxing authorities or districts; and against any and all personal property and improvements, which are now or which hereafter may be placed thereon or owned by the Association, including any interest, penalties and other charges which may accrue thereon.

(b) Utility Charges.

All charges levied by utilities or districts providing services for the Association Limited Common Area, whether supplied by a private or public firm, including, without limitation, all charges for water, gas, electricity, telephone, sewer, and any other type of utility or any other type of service charge.

(c) Insurance.

The premiums on the policy or policies of insurance which the Association in its sole discretion determines to obtain; provided, however, that the Association shall obtain and maintain the following insurance coverage:

(i) Property insurance in an amount equal to the then full replacement cost, exclusive of land, foundation, excavation and other items normally excluded from such coverage, of all buildings and improvements now or hereafter located upon the Association Limited Common Area and such insurance shall afford protection against at least the following:

(1) loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and for sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage; and

(2) such insurance may also afford protection against such other risks as are customarily covered with respect to areas

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(f) Lighting.

The cost of installing, maintaining, and operating any street lights now or hereafter located on the Association Limited Common Area to the extent any of such costs and charges are not paid for by governmental agencies or the utility company providing services with respect thereto.

(g) Electronic Monitoring System and Ancillary Personnel.

The cost and expense of operating electronic monitoring systems for the Association Limited Common Area, if any, and the cost of employing any personnel ancillary thereto, and operating and maintaining gate houses, ancillary facilities and Vehicles used for monitoring or ancillary services.

(h) Administrative and Operational Expenses.

The costs of administration for the Association in the performance of its functions and duties under the Governing Documents including, but not limited to, costs for secretarial and bookkeeping services, salaries of employees, legal and accounting fees and contracting expenses. In addition, the Association Limited may retain a management company or companies or contractors (ANY OF WHICH MANAGEMENT COMPANIES OR CONTRACTORS MAY BE, BUT ARE NOT REQUIRED TO BE, A SUBSIDIARY, AFFILIATE, OR AN OTHERWISE RELATED ENTITY OF DECLARANT) to assist in the operation of the Association Limited Common Area, or portions thereof, and to perform or assist in the performance of certain obligations of the Association under the Governing Documents and the fees or costs of any management company or contractor so retained shall be deemed to be part of the Neighborhood Expenses. Further, the Association may employ the necessary personnel and contract with the necessary persons or entities to carry out the obligations hereunder, including maintenance and monitoring functions.

(i) Compliance with Laws.

The Association shall take such action as it determines necessary or appropriate in order for the Association Limited Common Area and the improvements thereon to be in compliance with all applicable laws, statutes, ordinances and regulations of any governmental authority, whether federal, state or local. The cost and expense of such action taken by the Association shall be a Neighborhood Expense.

8.3 Indemnification.

Subsequent to the Turnover Date, the Association covenants and agrees that it will indemnify, defend and hold harmless Declarant, and

required by utility companies or to prepay insurance premiums upon Association Common Area or otherwise required by the Governing Documents for the protection of Committed Property, the Owners, the Association, the Board, or in and about the operation of the Association. Prior to and subsequent to the Turnover Date, Capital Payments may only be used to pay expenses set forth in this Article 8.6 and for other capital expenses and may not be used for normal day to day expenses. However, the Association may use funds from the Capital Payment account in the case of an emergency when the use of such funds are necessary in order to protect Committed Property, the Owners, the Association, the Board, or in and about the operation of the Association, in accordance with the provisions of the Governing Documents; provided that immediately after the use of such Capital Payments the Association shall fully replace the funds so used from monies collected by Assessments. The Association shall, if necessary, assess a Special Assessment for such purpose. Further, no Capital Payments shall be used for the purpose of any litigation, whether at the investigative, trial or appellate levels. The Capital Payment shall be paid by the Owners, other than Declarant, to the Association in addition to any other Assessment. A Land Segment Owner shall pay the Capital Payment for each Property Unit assigned to the Land Segment so owned at such time as is set forth in the instrument executed by Declarant assigning the Property Units to the Land Segment pursuant to the provisions of Article 5.3 of this Declaration. The Owner of any other Plot shall pay the Capital Payment at such time as title to the Plot is conveyed to such Owner. In the event that a "Certified Unit" "Reduces" a "Reduced Property Unit" (as those terms are defined in Article 5.3 of this Declaration) for which a Capital Payment has not been paid, then the Owner of the Certified Unit shall pay the Capital Payment for such Certified Unit at the time title to the Certified Unit is conveyed to such Owner. Each Owner shall pay the Capital Payment upon conveyance of title to such Owner provided that Capital Payments shall only be paid to the Association once for each Single Family Lot, or Dwelling Unit. If a Land Segment Owner has paid a Capital Payment for a Reduced Property Unit, then the Owner of the Certified Unit which Reduced the Reduced Property Unit shall not pay an additional Capital Payment for such Certified Unit. Further, the Owner of a Plot shall not pay the Capital Payment if the Capital Payment has already been paid for the such Plot. Any unused portion of the aforesaid Capital Payment may be used and applied for any proper capital purposes of the Association. Capital Payments shall never be required from Declarant. Capital Payments shall be paid in addition to the Interim Assessment, General Assessment, Assessment for Neighborhood Expenses, and Special Assessment.

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Neighborhood Committee may advise the Board on any other issues, but shall not have the authority to bind the Board of Directors.

9.2 Individual Property.

If any Neighborhood Association which has been granted a right of enforcement by Declarant does not enforce any or all provisions of its Neighborhood Covenants or perform any of its duties and responsibilities pursuant to its Articles of Incorporation, By-Laws or Rules and Regulations, Declarant or, in Declarant's sole discretion, the Association may enforce such Neighborhood Covenants, and perform such duties and responsibilities, including any and all maintenance provisions, and obtain the payment of the cost of such enforcement and maintenance pursuant to the provisions of Article 6 of this Declaration. Declarant shall be entitled to reimbursement of attorneys' fees and court costs, as set forth in Article 2.8(d) hereof, incurred during the enforcement by it of Neighborhood Covenants.

9.3 Entry Rights.

Each Neighborhood Association and each Owner shall permit Declarant, the Association, their designees, or any agent or employee to enter upon Neighborhood Common Area and upon the Owner's Plot at reasonable times to carry out the provisions of this Declaration, and the same shall not constitute a trespass.

9.4 Neighborhood Common Area.

(a) Each Neighborhood Association shall be responsible for the maintenance of Neighborhood Common Areas, including without limitation, the maintaining of signage, entrance features, greenspace within the Neighborhood and buffering it from adjacent roads, streets and parking areas within the Neighborhood. If any such Neighborhood Association fails to perform its maintenance responsibility, the Association may perform it and assess the costs against all Owners in such Neighborhood. The Association may contract with any Neighborhood Association to provide for maintenance and management of its Neighborhood Common Areas. A Neighborhood Association may, with the written consent of the Declarant or Association, restrict the use of any Neighborhood Common Area to residents of the Neighborhood in which it is contained.

(b) The cost and expense of the Neighborhood Common Area, including the cost and expense relating to any landscaping thereon, shall not be an Operating Expense but shall be borne by the Owners of the Plots located in the Neighborhood as provided for herein or as otherwise set forth by Declarant in any applicable Neighborhood Covenants.

(c) The Association may contract with any Neighborhood Associations to provide for the operation and maintenance of its Neighborhood Common Area.

(d) Notwithstanding anything contained herein, Declarant reserves the right, in its sole discretion and by its sole act, to cause portions of the Association Common Area to become Neighborhood Common Area by the recordation of an instrument containing provisions to that effect in the Public Records of Broward County, Florida or Palm Beach County, whichever is applicable. Upon recordation of such an instrument, the real property described therein shall no longer be a Association Common Area but shall be a Neighborhood Common Area in lieu thereof and the use and easement rights and the obligations pertaining thereto, including, but not limited to, maintenance and administration obligations shall be those pertaining to such Neighborhood Common Area and not Association Common Area. Further, the expense thereof shall no longer be an Operating Expense.

9.5 Neighborhood Expenses.

(a) Those costs and expenses which may include but not be limited to those expenses described in Article 8.2, incurred by the Association in fulfilling its obligations hereunder and which pertain to or benefit a particular Neighborhood shall be borne by only those Owners in the particular Neighborhood as Neighborhood Expenses, and these expenses shall be in addition to Operating Expenses. All determinations as to what costs and expenses constitute Neighborhood Expenses shall be made by the Board in its sole discretion. The manner of assessing Neighborhood Expenses is set forth in Article 7.5 hereof.

(b) The Association may specifically assess the Owners in a Neighborhood for expenses incurred by the Association specifically for such Neighborhood.

(c) Each Benefitted Neighborhood, upon the affirmative vote, written consent, or a combination thereof, of the Owners representing a majority of Dwelling Units within the Neighborhood, may request that the Association provide a higher level of service or special services for the benefit of the Owners in such Neighborhood. The Association shall provide such services and the cost of such services shall be assessed against the Dwelling Units in such Neighborhood.

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(d) Notwithstanding anything contained herein, the Association has the right to enforce Assessments for Neighborhood Expenses in the same manner and by the same remedies as other Assessments.

9.6 Neighborhood Covenants.

Declarant reserves the right, and the power, by its act alone, without the consent of any other Person being required:

(a) To amend the specific provisions of this Declaration insofar as they apply to one or more Neighborhoods or portion thereof without amending those provisions with respect to all Neighborhoods.

(b) To supplement this Declaration by recording separate covenants, conditions, restrictions and other provisions applying to any specific Neighborhood or portion thereof.

(c) To determine consistency of all Neighborhood Covenants with this Declaration and the plan of development of the Heron Bay Community, and approve and consent to all Neighborhood Covenants prior to their recordation in the Public Records of Broward County, Florida, or Palm Beach County, Florida, whichever is applicable. Neighborhood Covenants shall not be effective until Declarant executes, approves and consents to same, as evidenced by a written instrument recorded in the Public Records of Broward County, Florida, or Palm Beach County, Florida, whichever is applicable.

ARTICLE 10

GENERAL AND PROCEDURAL PROVISIONS

10.1 Utility Easements.

(a) There is hereby reserved, for the purpose of installing, operating and maintaining governmental, public or private utility facilities, including N.S.I.D. facilities, and for other purposes incidental to the development of the Heron Bay Community, those easements shown upon any current plat of Committed Property in the Heron Bay Community and as may be shown on any future recorded plats of Committed Property in the Heron Bay Community, and there is also hereby reserved within such easements, areas and rights-of-way for such other purposes as Declarant in its sole discretion may in the future determine.

(b) Declarant hereby reserves the right for itself and the Association, and the power, during a period of thirty (30) years from the date of the recordation of this Declaration, to declare and file of record, additional easements granting the full free right, power and

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(b) Declarant and Association, subject to the provisions of this Declaration, grant to each Owner of a Plot, in a particular Benefitted Neighborhood, their family, its guests, tenants, licensees and invitees, a perpetual easement for ingress and egress on, over, across and through the Association Limited Common Area in a particular Benefitted Neighborhood, such use and enjoyment to be shared in common with all Members or Owners of the particular Benefitted Neighborhood, and their guests, tenants, licensees and invitees.

10.5 Creation of Easements.

Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally granted the benefit of such easement, and the Owners and Members hereby designate Declarant and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' or Members' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited.

10.6 Declaration and General Protective Covenants Run With the Land.

The covenants, reservations, restrictions and other provisions of this Declaration shall run with and bind the Committed Property subject hereto and shall inure to the benefit of the Declarant and all Owners subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time these covenants, conditions, restrictions, and other provisions shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by the then Owners of Plots assigned at least a majority of the Property Units has been recorded agreeing to change or terminate (if not prohibited by other provisions of this Declaration) these covenants, conditions, restrictions or provisions in whole or in part.

10.7 Completion of Construction Remedy.

When the construction of any Structure is begun, work thereon must be prosecuted diligently and completed within a reasonable time. If for any reason work is discontinued or there is no substantial progress

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of all Contributing Plots together with (2) the approval or ratification of a majority of the Board of Directors of the Association. The aforementioned consent of the Contributing Plot Owners may be evidenced by a writing signed by the required number thereof or by the affirmative vote of the required number thereof at any regular or special meeting of the Association called and held in accordance with the By-Laws; evidenced by a certificate of the Secretary or an Assistant Secretary of the Association.

(3) Amendments for correction of scrivener's errors or other non-material changes may be made by Declarant alone until the Turnover Date and thereafter by the Board of Directors of the Association alone without the need of consent of the Contributing Plot Owners.

(4) Notwithstanding anything to the contrary herein contained, no amendment to this Declaration shall be effective which shall impair or prejudice the rights or priorities of Declarant or the Association under this Declaration or any other of the Governing Documents without specific written approval of such Declarant or Association affected thereby.

(5) After the Turnover Date, a true copy of any amendment to this Declaration shall be sent certified mail by the Association to Declarant within five (5) days of its adoption.

(6) Notwithstanding anything contained herein, Supplements are not amendments and need only be executed by Declarant.

(7) Notwithstanding anything contained herein, the Neighborhood Covenants are not amendments and need only be executed by Declarant.

10.10 Other Documents.

Declarant, Association, any Neighborhood Association, or other entity provided for herein or in any applicable recorded instrument shall have such rights, powers, duties and privileges as set forth herein or in the Articles of Incorporation, By-Laws and other constituent documents of such entity; however, no such entity may have rights, duties, powers or privileges that are in conflict with the provisions of this Declaration, which shall prevail in all events of conflict.

10.11 Severability.

If any covenant, condition, restriction or other provision of this Declaration is held to be invalid in whole or in part by any court of competent jurisdiction, then such holding shall in no way affect the

10.15 Construction.

The provisions of this Declaration shall be liberally interpreted and construed to provide maximum flexibility consistent with the general development plan of the Heron Bay Community and the purposes set forth herein, including the Preamble.

10.16 Approval of Association Lawsuits by Owners.

Notwithstanding anything contained herein to the contrary, the Association shall be required to obtain the approval of three-fourths (3/4) of all Owners (at a duly called meeting of the Owners at which a quorum is present) prior to the payment of legal or other fees to persons engaged by the Association for the purposes of suing, or making or preparing any lawsuit, or commencing any lawsuit other than for the following purposes:

- (a) the collection of Assessments;
- (b) the collection of other charges which Owners are obligated to pay pursuant to the Governing Documents;
- (c) the enforcement of the use and occupancy restrictions contained in the Governing Documents, including, but not limited to, those against tenants; or
- (d) the enforcement of the protective covenants and restrictions;
- (e) in an emergency when waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Heron Bay Community or any portion thereof.

10.17 Conveyance, Assignment, Turnover.

Upon the Turnover Date:

(a) Declarant shall convey to the Association any portion of the Association Common Area or Association Limited Common Area which it has not previously conveyed. Such conveyance shall be made in accordance with Article 4.3 of this Declaration.

(b) Except as set forth in this Article 10.17, Declarant shall, no later than the Turnover Date, assign to the Association and the Association must accept such assignment, all of its rights, powers, duties, obligations, and interests in connection with the enforcement of the terms, provisions and conditions created or provided for by this Declaration or the other Governing Documents which it then possesses.

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INEFFECTIVENESS OF MEASURES UNDERTAKEN, IF ANY. ALL MEMBERS, OWNERS AND OCCUPANTS OF ANY PLOT, AND ALL TENANTS, GUESTS AND INVITEES OF ANY OWNER, ACKNOWLEDGE THAT THE ASSOCIATION, THE NEIGHBORHOOD ASSOCIATIONS, THEIR BOARDS AND DECLARANT, DO NOT REPRESENT OR WARRANT THAT: ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, GATEHOUSE, ROVING PATROL, ELECTRONIC MONITORING SYSTEM OR OTHER SUCH SYSTEM, IF ANY, DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY DECLARANT OR THE ASSOCIATION OR THE NEIGHBORHOOD ASSOCIATIONS MAY NOT BE COMPROMISED OR CIRCUMVENTED; THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SUCH SYSTEMS WILL PREVENT LOSS; NOR THAT FIRE PROTECTION, BURGLAR ALARM SYSTEMS, GATEHOUSE, ROVING PATROL OR OTHER SUCH SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH MEMBER, OWNER AND OCCUPANT OF ANY PLOT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE NEIGHBORHOOD ASSOCIATIONS, AND DECLARANT, ARE NOT INSURERS AND THAT EACH MEMBER, OWNER AND OCCUPANT OF ANY PLOT AND EACH TENANT, GUEST AND INVITEE OF ANY MEMBER OR OWNER ASSUMES ALL RISKS OF LOSS OR DAMAGE TO PERSON OR PROPERTY. ALL OWNERS HEREBY AGREE TO HOLD DECLARANT (AND ITS SUBSIDIARIES AND AFFILIATED ENTITIES), ASSOCIATION, THE NEIGHBORHOOD ASSOCIATIONS, AND THEIR SUCCESSORS AND ASSIGNS; OFFICERS, DIRECTORS, GOVERNORS, AGENTS AND EMPLOYEES, HARMLESS FROM ANY INJURIES, DAMAGES, LOSSES, OR CLAIMS ARISING FROM OR IN CONNECTION WITH THE OCCURRENCE OF ANY CRIMINAL OR OTHER UNLAWFUL ACTIVITY. DECLARANT, ASSOCIATION, NEIGHBORHOOD ASSOCIATIONS, AND THEIR SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, GOVERNORS, AGENTS, AND EMPLOYEES, SHALL NOT BE BOUND BY ANY PRIOR OR PRESENT TERMS, STATEMENTS, REPRESENTATIONS, CONDITIONS, OBLIGATIONS OR WARRANTIES, ORAL OR WRITTEN, IMPLIED OR EXPRESS, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE NOT CONTAINED IN THIS DECLARATION.

(b) NEITHER DECLARANT, THE ASSOCIATION, NOR THE NEIGHBORHOOD ASSOCIATIONS ARE RESPONSIBLE FOR THE SECURITY OF THE OWNERS AND THEIR FAMILY MEMBERS, TENANTS, INVITEES, LICENSEES AND GUESTS AND THE GUESTS, INVITEES AND LICENSEES OF THEIR TENANTS. A PORTION OF THE HERON BAY COMMUNITY IS IN THE JURISDICTIONAL LIMITS OF THE CITY OF CORAL SPRINGS, FLORIDA, AND IS IN THE CORAL SPRINGS POLICE DEPARTMENT JURISDICTION FOR THE SAFETY OF THE OWNERS. A PORTION OF THE HERON BAY COMMUNITY IS IN THE JURISDICTIONAL LIMITS OF UNINCORPORATED BROWARD COUNTY, FLORIDA, AND IS IN THE BROWARD COUNTY SHERIFF'S DEPARTMENT JURISDICTION FOR THE SAFETY OF THE OWNERS. A PORTION OF THE HERON BAY COMMUNITY IS IN THE JURISDICTIONAL LIMITS OF UNINCORPORATED PALM BEACH COUNTY, FLORIDA, AND IS IN THE PALM BEACH COUNTY, FLORIDA, SHERIFF'S DEPARTMENT JURISDICTION FOR THE SAFETY OF THE OWNERS. ALL OWNERS ARE ADVISED TO NOTIFY THE APPROPRIATE POLICE OR SHERIFF'S DEPARTMENT OF ANY AND ALL HEALTH AND PROPERTY EMERGENCIES IN THE HERON BAY COMMUNITY.

CR 24 21611 / 10

CONSENT OF MORTGAGEE

The First National Bank of Boston, a national banking association, as agent, being the holder of that certain Mortgage and Security Agreement dated the 24th day of July, 1995, and recorded the 26th day of July, 1995, in Official Records Book 23719, Page 349, of the Public Records of Broward County, Florida, hereby consents and joins in for the purpose of subordinating the lien of its Mortgage and Security Agreement to the foregoing Declaration.

THE FIRST NATIONAL BANK OF BOSTON, as agent

By: [Signature]

Printed Name: STEVEN P SELBO

Its: Vice President

Address: 115 Perimeter Center Place NE
Suite 500
Atlanta, GA 30346

[corporate seal]

STATE OF GEORGIA)
 FULTON) ss:
COUNTY OF DEKALB)

I hereby certify that, on this day, before me, an officer duly authorized in the state aforesaid to take acknowledgments, personally appeared Steve Selbo known to me to be a person authorized on behalf of the entity described in the above Consent of Mortgagee and who executed the foregoing instrument, and he acknowledged before me that he executed the same.

WITNESS my hand and official seal in the County and State last aforesaid, this 10th day of November, 1995.

Kim H. Musser
Name: Kim H. Musser
Notary Public, State of Georgia
Commission No.

My Commission Expires: 7-24-99

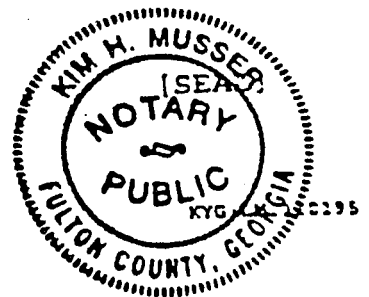


EXHIBIT "A"

COMMITTED PROPERTY

Lots 1 through 36, inclusive, in Block A
Lots 1 through 18, inclusive, in Block B
Lots 1 through 35, inclusive, in Block C
Lots 1 through 10, inclusive, in Block D
Lots 1 through 35, inclusive, in Block E
Lots 1 through 7, inclusive, in Block F

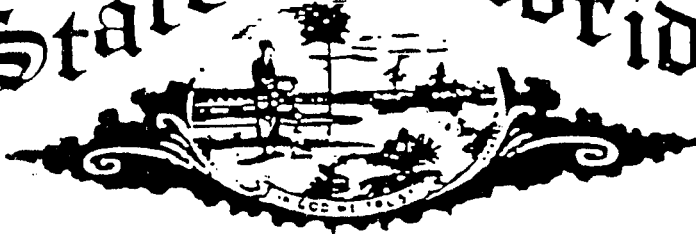
together with

Parcels A, C, D, F, G, H, J, K and N; all in
Heron Bay Two, according to the Plat thereof,
as recorded in Plat Book 159, at Page 39,
of the Public Records of Broward County,
Florida, said lands lying and being in the
City of Coral Springs, Broward County,
Florida.

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**Articles of Incorporation
of Heron Bay
Community Association, Inc.**

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of HERON BAY COMMUNITY ASSOCIATION, INC., a Florida corporation, filed on December 1, 1995, as shown by the records of this office.

The document number of this corporation is N95000005687.

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Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Fourth day of December, 1995



CR2ED22 (1-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

ARTICLE 4

GENERAL POWERS

The general powers that the Association shall have are as follows:

A. This Association shall have all of the common law and statutory powers of a Florida corporation not for profit, except as may be prohibited herein.

B. This Association shall have all of the powers reasonably necessary to implement its purposes including those set forth herein.

C. To do all of the acts required to be performed by it in accordance with the Declaration.

D. To hold funds solely and exclusively for the benefit of the Members for purposes set forth in these Articles.

E. To promulgate and enforce Rules and Regulations, By-Laws, and agreements to effectuate the purposes for which the Association is organized and to make, establish, and enforce rules and regulations governing the use of the Association Common Area and Association Limited Common Area consistent with the Declaration.

F. To delegate power or powers when such is deemed in the interest of the Association.

G. To purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of, real or personal property, except to the extent restricted hereby; to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation, association or other entity; to do any and all of the activities and pursue any and all of the objects and purposes set forth in these Articles and not forbidden by the laws of the State of Florida or the Governing Documents.

H. To make, levy and collect Assessments and late fees for the purpose of obtaining funds from its Members, to pay for the operational expenses of this Association and costs of collection, and to use and expend the proceeds of Assessments and late fees in the exercise of its powers and duties hereunder.

I. To make, levy and collect Assessments and late fees for the purpose of obtaining funds from its Members of a Benefitted Neighborhood, to pay for the Neighborhood Expenses as provided for in the Declaration, and to use and expend the proceeds of such

statements, nor shall Members perform any such activities in the name of the Association.

S. Notwithstanding anything contained herein to the contrary, the Association shall not have the power to, and shall not, expend Capital Payment account (described in Article 6.6 of the Declaration) monies or any capital expenditures in connection with the construction of a new capital improvement (except for necessary construction resulting from the damage or destruction of existing improvements), in excess of Fifty Thousand (\$50,000.00) Dollars without first obtaining the affirmative vote of a majority of all Members at a meeting in which a quorum has been obtained. Further, the Capital Payment account shall be used for capital purposes only and not for other purposes, including not being used by the Association for the purpose of litigation at either or both the trial or appellate levels, nor shall such reserves be used for operating funds.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 4 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article 4.

ARTICLE 5

MEMBERS

The qualifications of Members, the manner of their admission to membership, the termination of such membership and voting by Members shall be as follows:

A. The Members of the Association shall be comprised of the Owners and the Declarant.

B. Membership shall be established effective immediately upon becoming an Owner; provided, however, that such new Member's rights shall not become effective until the new Member presents the Association with a recorded copy of the Deed or other muniment of title conveying the title to the Plot so conveyed, and such membership shall pass with title to the Plot in question as an appurtenance thereto with no such membership or rights arising therefrom being transferable in any manner except as an appurtenance to such Plot.

C. A Structure for which final Certificates of Occupancy had been issued but which has subsequently been destroyed or demolished shall be deemed, for the purpose of calculating eligible votes, to

2. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting (regular or annual) at which such proposed amendment is to be considered by the Members;

3. Such proposed amendment must be submitted to and approved by the Members. Any number of amendments may be submitted to the Members and voted upon at one meeting. Approval by the Members must be by a vote of a majority of the votes of all Members entitled to vote thereon. Such vote by the Members must be taken at a meeting of the Membership;

4. Notwithstanding the foregoing, an amendment to these Articles may be made by a written statement signed by all Members and Directors eligible to vote.

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

D. A copy of each amendment shall be certified by the Secretary of State of the State of Florida and the Secretary of the Association shall cause a copy certified by the Secretary of State to be recorded amongst the Public Records of the appropriate county: Broward County, Florida or Palm Beach County, Florida.

E. Notwithstanding the foregoing provision of this Article 10, there shall be no amendment to these Articles which (1) shall abridge, amend or alter the rights of Declarant, including the right to designate and select the Directors as provided in Article 6 hereof, or the provisions of this Article 10, without the prior written consent therefor by Declarant, or, (2) make any changes in the qualifications for Membership or the voting rights of the Members, or make any change that would terminate the Association without approval in writing of the Members affected.

F. Notwithstanding anything contained herein to the contrary, Article 4, Section R hereof shall not be amended or modified in any way except upon receiving the affirmative vote of at least seventy-five (75%) percent of all Members.

ARTICLE 11

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and every Officer of the Association (and the Directors and/or Officers as a group) shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at all trial and appellate levels) reasonably incurred by or

1. Real property contributed to the Association without the receipt of other than nominal consideration by the Declarant (or its successor in interest) shall be returned to the Declarant (whether or not a Member at the time of such dissolution) unless it refuses to accept the conveyance (in whole or in part);

2. Dedication to applicable municipal or other governmental authority of such property (whether real, personal or mixed) as determined by the Board of Directors of the Association to be appropriate for dedication and which the authority is willing to accept; and

3. The remaining assets shall be distributed among the Members, subject to the limitations set forth below, as tenants in common, each Member's share of the assets to be determined in accordance with his voting rights.

B. The Association may be dissolved upon a resolution to that effect being approved by three-fourths (3/4) of the members of the Board of Directors; three-fourths (3/4) of the Members; and the filing of Articles of Dissolution with the Department of State as provided for in Section 617.1403 (1991), Florida Statutes, as amended.

ARTICLE 14

GENDER

Whenever the male pronoun is used herein, it shall be understood to be the female pronoun if the context or sex of the party referred to so requires.

ARTICLE 15

DECLARATION

In the event of any conflict between the provisions of these Articles and the provisions of the Declaration, the provisions of the Declaration shall prevail.

ARTICLE 16

REGISTERED AGENT

WCI COMMUNITIES LIMITED PARTNERSHIP, a Delaware limited partnership, is the Association's Registered Agent for service of process within the State of Florida, at 3300 University Drive, 10th Floor, Coral Springs, Broward County, Florida 33065. The Association shall have

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**By-Laws of Heron Bay
Community Association, Inc.**

EXHIBIT "C"

BY-LAWS
OF
HERON BAY COMMUNITY ASSOCIATION, INC.
(a Florida corporation not for profit)

ARTICLE I

DEFINITIONS

Section 1. All terms which are defined in the Declaration and General Protective Covenants for Heron Bay Community shall be used herein with the same meanings as defined in said Declaration.

Section 2. The term "Association" as used herein shall mean the Heron Bay Community Association, Inc., a Florida corporation not for profit, its successors or assigns.

ARTICLE II

LOCATION OF PRINCIPAL OFFICE

The principal office of the Association shall be located at the Coral Springs Financial Plaza, 3300 University Drive, Coral Springs, Florida 33065, or at such other place as may be established by resolution of the Board of Directors of the Association.

ARTICLE III

VOTING RIGHTS AND ASSESSMENTS

Section 1. Every Owner and the Declarant shall be a Member of the Association, provided that any such person or entity who holds an ownership interest only as security for the performance of an obligation shall not be a Member. Membership shall be appurtenant to, and may not be separated from, ownership of a Plot.

Section 2. Assessments, installments thereof, and late fees not paid when due shall result in the suspension of a Members use privileges in the Association during any period of non payment. Suspension of any Member's membership shall only be a suspension of his/her rights and privileges to the use and enjoyment of Association Common Area or Association Limited Common

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Section 3. Nominations for election to the Board shall be proposed to the Board by a Nominating Committee; however, a Member may nominate himself/herself as a candidate for the Board at a meeting where the election is to be held.

Section 4. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board, and two (2) or more Members of the Association or of the Board. The Nominating Committee shall be appointed by the Board sufficiently in advance of each annual meeting of the Members in order for said Nominating Committee to properly perform its duties and responsibilities. The Nominating Committee shall serve from their appointment until the close of the annual meeting.

Section 5. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. After approval by the Board, nominations shall be placed on a written ballot as provided in Section 6 hereof and shall be made in advance of the time fixed in Section 6 hereof for the mailing of such ballots to Members.

Section 6. All elections to the Board shall be made by written ballot which shall:

- (a) describe the vacancies to be filled;
- (b) set forth the names of those proposed by the Nominating Committee and approved by the Board for such vacancies; and
- (c) contain space for a write-in vote by the Members.

Such ballots shall be prepared and mailed by the Secretary (together with a return envelope) to the Members at least fourteen (14) days in advance of the date set forth therein for the annual meeting or special meeting called for elections.

Section 7. The completed ballots may be returned by mail to the Secretary or filed with the Secretary at the annual or special meeting. Only those ballots received by the Secretary on or before the date of the meeting shall be counted.

Section 8. An Election Committee, which shall consist of the members of the Nominating Committee, shall count the votes and shall establish such procedures as may be reasonable and appropriate to insure that only those Members who have the right to vote are able to cast votes and that the vote of any Member shall not be disclosed to anyone. Immediately after the announcement of

Association Common Areas or Association Limited Common Areas, or other property the Association is obligated to maintain, repair or replace.

(ii) A copy of the By-Laws of the Association and each Amendment to the By-Laws.

(iii) A copy of the Articles of Incorporation of the Association and of each Amendment thereto.

(iv) A copy of the Declaration and General Protective Covenants for Heron Bay Community and each Amendment thereto, if any.

(v) A copy of the current rules of the Association, if any.

(vi) The minutes of all meetings of the Board of Directors and of the Members, which minutes must be retained for at least seven (7) years.

(vii) A current roster of all Members and their mailing addresses and Plot identifications.

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

(ix) A current copy of all contracts to which the Association is a party, including, without limitation, any Management Agreement, Release, or other contract under which the Association has any obligation or responsibility.

(x) Bids received by the Association for work must be kept for a period of one (1) year.

(xi) The financial and accounting records of the Association to be maintained for a period of at least seven (7) years.

(b) To supervise all Officers, agents and employees of the Association.

Section 3. If any member of the Board of the Association not appointed by Declarant shall be absent from three (3) consecutive regular meetings of the Board, the Board may by action taken at the meeting during which said third absence occurs, declare the seat of the absent Director to be vacant.

of Board meetings mailed or hand delivered to the Members at the Members designated address or posted in a conspicuous location on the Association Common Area.

Section 8. All meetings of the Board are open to all Members' except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion is confidential and governed by the attorney-client privileged.

Section 9. An assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments.

Section 10. Directors may not vote by proxy or by secret ballot, except a secret ballot may be used when electing officers.

Section 11. A vote or abstention from voting on each matter voted upon for each Director present at a Board meeting must be recorded in the minutes.

ARTICLE VIII

OFFICERS

Section 1. The Officers of the Association shall be a President, a Secretary and a Treasurer and such other Officers as may be deemed necessary or appropriate by the Board. The President shall be a member of the Board.

Section 2. The Officers shall be chosen by a majority vote of the Directors.

Section 3. All Officers shall hold office at the pleasure of the Board.

Section 4. The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out and sign all notes, leases, mortgages, deeds and all other written instruments. The President shall not be the Secretary.

Section 5. The Secretary of the Association shall be ex officio the Secretary of the Board, shall record the votes and keep minutes of all proceedings in a minute book to be kept for that purpose. He shall sign certificates of membership, if any. He shall keep the records of the Association. He shall record in a book kept for that purpose the names of all Members of the

ARTICLE X

NEIGHBORHOOD COMMITTEES

Section 1. Neighborhood Committees.

A Neighborhood Committee may be formed for each Neighborhood which does not have an incorporated Neighborhood Association.

Section 2. Purposes and Powers.

The primary purpose of the Neighborhood Committee is to provide an informal organization within each Neighborhood that does not have a formal association structure in order to represent the interests of the Owners within the Neighborhood. It is the responsibility of each Neighborhood Committee to determine the nature and extent of maintenance and services to be provided to the Neighborhood by the Association. A Neighborhood Committee may advise the Board on any issue, but shall never have authority to bind the Association.

Section 3. Number and Term of Office of Committee Members.

Each Neighborhood Committee shall consist of three (3) members elected by the Members within the Neighborhood at a meeting of the Owners of a Plot in the Neighborhood. By vote of a majority of the Owners of a Plot within a Neighborhood, the number of Committee Members may be increased to five (5). In addition, any person elected to the Board of Directors of the Association from the Neighborhood shall be ex-officio a member of the Neighborhood Committee. Each Committee Member shall be elected for a term of two (2) years ending at the annual meeting at which his/her successor is to be elected, but in order to promote a continuity of experience their terms of office shall be staggered so that the number of terms expiring each year, is, as nearly as possible, equal to the number of terms expiring in the next year.

Section 4. Selection of Committee Members.

The members of each Neighborhood Committee shall be elected by the vote of the Owners of a Plot within that Neighborhood at the meeting of the Owners held during the first 3-months of each calendar year, except that the first Committee for each Neighborhood shall be elected at a meeting called and held within sixty (60) days after conveyance of ninety (90%) percent of the Plots that will ultimately exist in the Neighborhood to purchasers other than investors, builders or persons holding title primarily for the purpose of development or sale to a developer.

right to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of any meeting of Members shall be given to the Members and Declarant by the Secretary. Notice may be given either personally, or by sending a copy of the notice through the mail, postage prepaid, to the address of the Members and Declarant appearing on the books of the Association. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Failure to register shall release the Secretary from the requirement of sending notice of meeting to such Person. Notice of meeting, regular or special, shall be delivered or mailed at least seven (7) days in advance of the meeting and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve an election governed by Article V hereof, or any action governed by the Articles or by the Declaration, notice of such meeting shall be given or sent as therein provided.

Section 4. The presence at Members meetings of Members entitled to cast one-fourth (1/4) of the votes of the entire Membership shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles or by the Declaration shall require a quorum as therein provided.

ARTICLE XII

PROXIES AND VOTING

Section 1. At all meetings of Members, each Member may vote in person or to the extent permitted by law by proxy except Members may not vote by proxy for elections to the Board of Directors notwithstanding anything provided in these By-Laws to the contrary.

Section 2. All proxies to the extent permitted by law shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of ninety (90) days after the date of the first meeting for which it was given.

Section 3. A Member shall not be entitled to appoint more than one (1) proxy to attend a meeting on the same occasion and an instrument of proxy shall be valid only for the occasion for which it is given and may be in the following form or any other form which the Directors shall approve:

I, _____
being a Member in good standing of the Heron

cast the Plot vote, absent any prior written notice to the contrary to the Association by the other spouse or the designation of a different Voting Owner by the other spouse. In the event of prior written notice to the contrary to the Association or the designation of a different Voting Owner by the other spouse, the vote of said Plot shall not be considered.

ARTICLE XIII

BOOKS AND PAPERS

The books, records and papers of the Association shall be maintained as provided in Section 617.303(4) Florida Statute, (1995) and shall at all times, during reasonable business hours, be subject to inspection by any Member as provided in Section 617.303(5) Florida Statute (1995). The right to inspect includes the right to make or obtain photocopies at the reasonable expense of the Member requesting copies.

ARTICLE XIV

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words:

Heron Bay Community Association, Inc.

ARTICLE XV

ACCOUNTING RECORDS; FISCAL MANAGEMENT

Section 1. The Association shall use the accrual method of accounting, all records of which shall be open to inspection by Declarant, or Members, or their respective authorized representatives during reasonable business hours. Such authorization of a representative of a Member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection.

Section 2. The Board shall adopt a Budget (as provided for in the Declaration) of the anticipated Operating Expenses and Neighborhood Expenses of the Association for each forthcoming fiscal year at a regular or special meeting of the Board ("Budget Meeting") called for that purpose to be held not later than December 1st of the preceding year to which the Budget applies. Within thirty (30) days after adoption of the Budget, the Board

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parties at their last known addresses as shown on the records of the Association.

ARTICLE XVI

AMENDMENTS

Section 1. These By-Laws may be amended, at any regular or special meeting of the Board at which there is a quorum, by a vote of a majority of the Directors, provided that those provisions of these By-Laws which are governed by the Articles may not be amended except as provided in the Articles or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration.

Section 2. Any instrument amending, modifying, repealing or adding By-Laws shall identify the particular Section or Sections affected and give the exact language of such modification, amendment or addition or of the provisions repealed. A copy of each such amendment, modification, repeal or addition certified to by the Secretary or Assistant Secretary of the Association shall be recorded amongst the Public Records of Broward or Palm Beach County, Florida, as applicable, no sooner than five (5) business days after a copy of same has been delivered to Declarant.

Section 3. In the case of any conflict between the Articles and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control; and in the event of any conflict between the Articles and the Declaration, the Declaration shall control.

Section 4. No amendment to these By-Laws shall be effective which prejudices or otherwise detrimentally affects any of Declarant's rights or privileges without Declarant's prior written consent.

ARTICLE XVII

GENDER

Whenever the male pronoun is used herein, it shall be understood to be the female pronoun if the context or sex of the party referred to so requires.

**Declaration of
Neighborhood Covenants
for
The Falls at Heron Bay**

THIS INSTRUMENT PREPARED BY/
RECORD AND RETURN TO:

KENNETH Y. GORDON, ESQUIRE
WCI COMMUNITIES LIMITED PARTNERSHIP
3300 UNIVERSITY DRIVE
CORAL SPRINGS, FLORIDA 33065

DECLARATION OF
NEIGHBORHOOD COVENANTS
FOR
THE FALLS AT HERON BAY

THIS DECLARATION OF NEIGHBORHOOD COVENANTS ("DECLARATION")
made this 28 day of November 1995, by WCI COMMUNITIES LIMITED PARTNERSHIP, a
Delaware limited partnership, hereinafter called ("DECLARANT").

WITNESSETH:

WHEREAS, DECLARANT, the record owner of the real property hereinafter described
and referred to as the NEIGHBORHOOD, has imposed on the NEIGHBORHOOD and other
properties in the HERON BAY COMMUNITY (as such term is defined in the below described
GENERAL COVENANTS), the DECLARATION AND GENERAL PROTECTIVE
COVENANTS FOR the HERON BAY COMMUNITY ("GENERAL COVENANTS") which is
recorded in Official Records Book 24242 at Pages 652 through 752, both inclusive, of the Public
Records of Broward County, Florida:

WHEREAS, said GENERAL COVENANTS provide that DECLARANT may supplement
the GENERAL COVENANTS for any NEIGHBORHOOD (as the term "Neighborhood" is therein
defined); and

WHEREAS, DECLARANT, has determined that in order to cause a quality development
within the NEIGHBORHOOD (described in Article I, paragraph number 5 thereof), supplemental
restrictions and covenants should be imposed on the NEIGHBORHOOD for the preservation of the
property values of the OWNERS therein; and

WHEREAS, the NEIGHBORHOOD shall be known as THE FALLS AT HERON BAY.

ASSOCIATION). Parcels A, C, D, and F, of the Heron Bay Two Plat, shall be NEIGHBORHOOD COMMON AREA.

8. "OWNER" shall mean and refer to every person or persons, or entity or entities, who are the record owners of a fee interest in any LOT or Parcel, or portion thereof, in the NEIGHBORHOOD, their heirs, legal representatives, successors or assigns.

9. "PARCEL" shall mean and refer to a platted parcel in the NEIGHBORHOOD.

All other words defined in the GENERAL COVENANTS shall have the same meaning herein.

ARTICLE II

SUPPLEMENTAL RESTRICTIONS

1. USE RESTRICTIONS.

A. LOTS may be used for detached single family DWELLING UNITS and appurtenant uses and for no other purposes. No business buildings may be erected in the NEIGHBORHOOD and no business may be conducted on any part thereof, nor shall any DWELLING UNIT or any portion thereof be used or maintained as a professional office. Notwithstanding the provisions of this Paragraph: (i) the DECLARANT may utilize one or more LOTS for a sales office, model home or model home parking for so long as the DECLARANT, its successors or assigns, shall own any LOT in the NEIGHBORHOOD; and (ii) DECLARANT shall have the right to designate other persons or entities to likewise so utilize LOTS for a sales office, model home or model home parking so long as said persons or entities own any LOT in the NEIGHBORHOOD; and (iii) DECLARANT may approve the use of a LOT for recreation use as an appurtenant use to a DWELLING UNIT on an adjacent LOT. Any such use approval must be obtained from DECLARANT in writing, and if obtained, DECLARANT may impose additional restrictions on the DWELLING UNIT LOT and the appurtenant use LOT.

B. Parcel A of the Heron Bay Two Plat is an open landscaped area consisting of waterfalls, waterbodies, landscaping and landscaped features and appurtenances for the visual, aesthetic benefit only of all of the OWNERS in the NEIGHBORHOOD, and their family members, tenants, invitees, licensees and guests, and the guests, invitees and licensees of their tenants. Access on Parcel A is restricted and limited only to the NEIGHBORHOOD ASSOCIATION, its contractors and designees for the upkeep, maintenance, repair, and replacement of the improvements on, in and within Parcel A.

DK 24250161222



HERON BAY

Residential Neighborhoods

Site Development and Architectural Guidelines

Revised March 2012

WCI Communities, LLC



Introduction

HERON BAY is a luxury golf course community situated in northwestern Broward County. Designed to provide a premier living environment, Heron Bay is home to a 7045-yard championship Golf Course.

The Mediterranean style TPC Clubhouse, Marriott Hotel and Conference Center exhibit the type of quality design and architecture desired for the Heron Bay Community.

Estate, Executive and Patio Style homesites are available. Many homesites offer waterfront views. Immediately adjacent the Everglades Conservation Area, abundant waterfowl and marshlife will inhabit the many acres of recreated wetlands and native plantings.

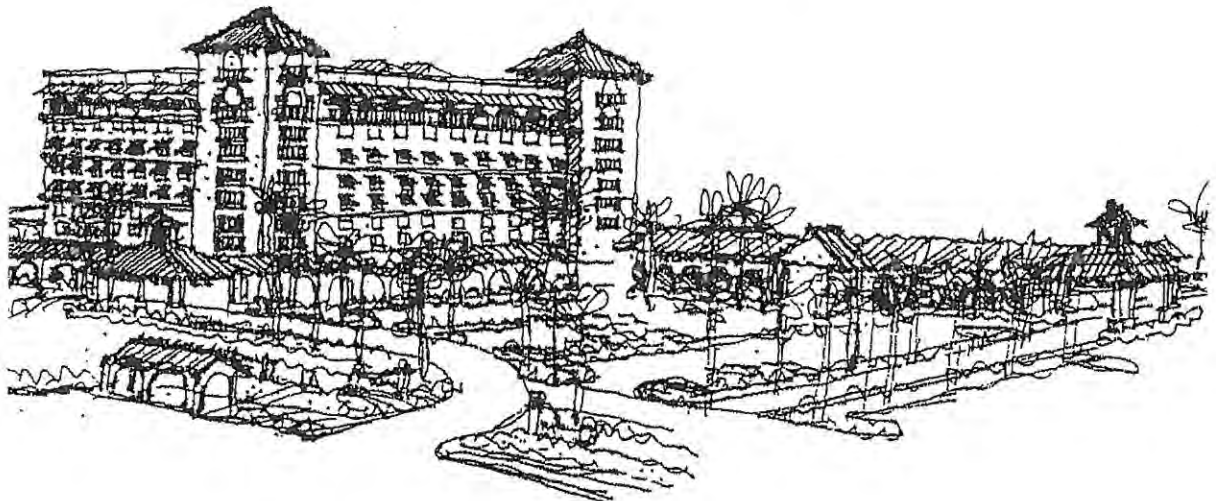




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Introduction

The purpose of these Design Guidelines is to establish a practical reference for planning and design of our neighborhoods and individual homes within the community. This document does not attempt to restrict creativity and individual preference, but rather define a minimum standard of design that will ensure the long-term quality and appearance of the community.

Architectural Review

Approval of plans by the Architectural Review Committee will be based solely on aesthetic considerations. Approval by the Committee does not imply any review, responsibility or liability as to the sufficiency, quality or fitness of any Construction.

The Architectural Review Committee, on behalf of the DECLARANT, reserves the right to amend, revise or expand criteria as it deems necessary.

Definitions

Preliminary Plans. Professionally prepared Building plans and Specifications and a Plot Plan, and Landscape Plans sufficient and definitive in detail to determine the appearance and character of all building elevations, exterior colors, floor plans, roof plans, landscaping, pavement and the quality and kind of materials proposed. It is not required that the Preliminary Plans include the layout and final details of structural, mechanical and/or electrical installations.

Final Plans. Professionally prepared Final Plans and Specifications and a Plot Plan and Final Landscape Plans as will be submitted to government for construction permits, which shall be a true extension of the Preliminary Plans which have been approved by the Committee, and shall not make any substantial variance there from.

Professionally Prepared. Prepared by a licensed professional Architect, Landscape Architect or Engineer as applicable. All submittals must be sealed.

Declarant. WCI Communities, LLC or its successor or assigns.

Architectural Review Committee. A Committee appointed by the DECLARANT to review all plans submitted for construction and design approval in the Neighborhood in accordance with the Applicable Restrictive Covenants.



Introduction

Plan Approval Procedures

- The Applicant shall submit for review two (2) sets of Preliminary Plans to the Committee at the offices of the DECLARANT.
- The Committee shall give approval, approval with modifications or disapproval of the Preliminary Plans. Applicant shall have the opportunity to revise the Preliminary Plans to include such changes.
- The Applicant shall submit four (4) sets of Final Plans to the Committee.
- All approval, approval with modification or disapproval of Preliminary or Final Plans shall be in accordance with the Applicable Restrictive Covenants.
- No review of either Preliminary Plans or Final Plans, as defined herein, shall commence until the Committee has deemed the submission complete.

Site Preparation and Maintenance

- No existing trees or shrubs shall be removed from the plot without approval of the Committee. Any trees or shrubs which must be moved or removed shall be indicated on the Preliminary Plans. Approvals for such requests will be granted on the Final Plans.
- All construction materials, vehicles, equipment, supplies, temporary facilities and construction activities shall be contained entirely within the building plot. The Applicant shall be responsible for any damage to subdivision improvements during construction, and any such damage shall be repaired or replaced by Applicant at its sole expense.
- All building debris shall be placed in an approved container that must be promptly removed when filled. No building construction activity may commence without an approved waste container on the plot. **Dumpster is the only approved waste container. No debris of any kind shall be placed on any plot, other than in an approved container.** The Applicant shall keep the building plot clean at all times and maintain any yards and landscaping in a living, healthy and trimmed condition at all times.

Hours of Construction

Construction, repair, and maintenance shall be limited between the hours of 8:00 a.m. and 6:00 p.m. Monday through Saturday after issuance of the first Certificate of Occupancy for a dwelling within the individual neighborhood or within 500 feet of any occupied dwelling. ✓

There shall be no construction, repair and maintenance activity outside of those periods, or on National Holidays.



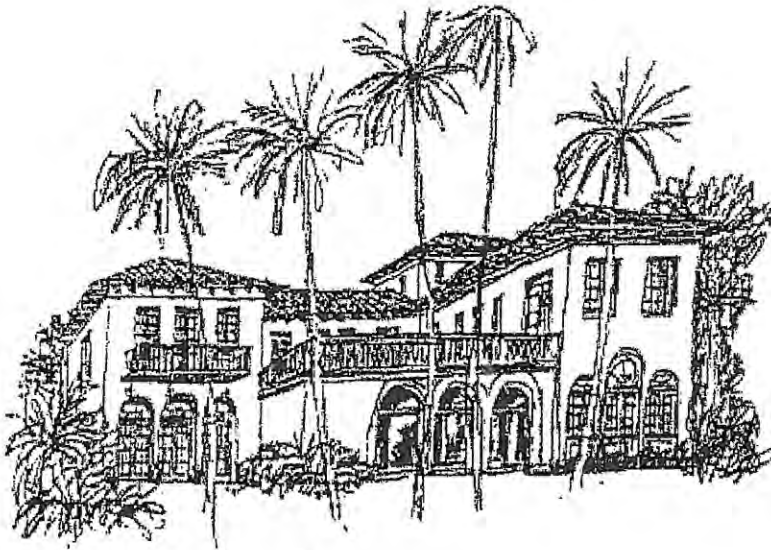
Chapter 1

Overall Style

Each single-family home neighborhood shall be planned and designed with a unifying theme or concept with emphasis on massing and detailing which would complement traditional architecture in the style of choice, approved by the Architectural Review Committee. Spanish, Mediterranean Revival and Mizneresque styles are strongly encouraged.

Some architectural styles which are discouraged and should be avoided are:

- Post Modern
- Art Deco
- California Contemporary
- High-Tech
- Western (Adobe)





Chapter 2

Exterior Elevation Treatments

Side and rear elevation treatments shall follow the common architectural theme of the front of the residence as approved by the Committee.

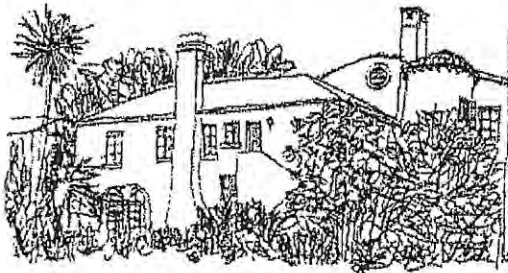
The exterior design and elevation of a previously approved or existing single family dwelling should not be repeated on an adjacent or opposite lot, unless approved by the Architectural Review Committee.

Exterior design elements which are discouraged:

- Stark walls.
- Large blank wall surfaces.
- Landscape walls without three dimensional detailing and caps.
- Doors, windows, and other wall openings without three dimensional edge detail or trim.

Exterior design elements which are encouraged.

- Three dimensional detailing at wall surfaces, corners, caps, headers, sills, fascias, and column bases.
- Recessed doors, windows and other wall openings which provide shadow along the exterior elevation.
- Tall windows and doors having arches or transoms.
- Architectural shutters, louvers and dormers.
- Mediterranean style tower elements that break up the roof levels.





Chapter 3

Exterior Materials and Colors

Poorly simulated imitation materials shall be discouraged. The use of natural materials including stone, stucco and precast for exterior finishes shall be encouraged. Samples of proposed exterior materials may be required at the time of Final Plan submission.

Exterior walls should be primarily stucco. Wood siding as a singular architectural finish is not permitted. However, high quality wood siding may be utilized, providing the colors, application and architectural style are consistent. No diagonal or vertical patterned wood treatment is allowed. Keystone, precast coral and concrete are encouraged as wall veneers and accents.

All stone shall be rectangular cut-face stone with a regular or random joint pattern. Many acceptable precast concrete products are available locally such as simulated coquina, Keystone, or Coral Stone.

Stucco may be natural cementitious stucco with integral color or acrylic paint finish. A high quality synthetic wall finish and insulation system may also be used if approved by the Committee.

Exterior colors that are inconsistent with the approved neighborhood palette shall not be permitted. **Samples of proposed exterior colors shall be required at the time of Final Plan submission.** Although slight variation from approved colors is anticipated, the limits of such variation shall be determined by the Review Committee.

The minimum roof pitch shall be 5:12; unless a lower pitch roof is necessary to accurately depict the traditional architectural style, or a varied roof pitch is used to enhance the design, both of which must be approved by the Committee. A Mansard or flat roof shall not be permitted except for balconies, decks or screen enclosures.

Roofs shall be constructed of flat, S-type, barrel, or clay tile with a baked finish and integral color. Slate, split cedar shakes or copper will be considered if consistent with the architectural theme.

Tile roofs shall be color impregnated. After-manufacture painting of roof tiles is not permissible. **All vents, flashing and metal chimney caps shall be painted to match the approved roof color.** Roof stacks and vents should be placed so as not to be clearly visible from the street.

All electrical and mechanical appurtenances, including utility connections shall be painted so as to blend with the exterior elevation.

Metal caps or vents for chimneys shall not be permitted unless covered by masonry or other decorative material.



Chapter 4

Summary of Exterior Materials

Preferred Exterior Materials:

- Stucco
- Weathered Brick or concrete pavers for driveways, walkways and patios
- Cast stone Stamped concrete patterns such as Bomacron, Coquina, and Random Aslar
- Painted or stained wood
- Teak wood, natural finished mahogany, cedar or cypress (if protected from rain and sunlight)
- Tile
- Cast, anodized, or finished aluminum
- Brass, bronze, or copper (preferably weathered)
- Decorative Aluminum Fencing

Prohibited Exterior Materials:

- Unpainted exposed wood finishing
- Stainless steel
- Mill finished aluminum or galvanized steel
- Chain link fencing (in The Falls and for all areas abutting the golf course, streets or common areas)
- Plastic, rubber, vinyl or other similar materials (except low maintenance, high quality, imitation materials such as PVC lattice material approved by the Committee)
- Dark colored materials except when used as accents such as doors, shutters reveals, medallions joins, narrow aluminum widow frames, narrow aluminum screen enclosure frames
- Applied river rock (epoxy chattahoochee)
- Asphalt walkways or driveways
- Raw unfinished concrete (other than public sidewalks)



Chapter 5

Porches and Patios

Plans and specifications for any proposed screen enclosures may be required by the Declarant to show the front, side and rear elevation and its attachment to the main structure. These should be submitted at the time the home is submitted for preliminary and final approval.

A typical screen enclosure should consist of eight (8) foot screen walls and a mansard roof that does not exceed fifteen (15) feet. For developments utilizing standard model home designs, the typical plans and specifications for screen enclosures shall be submitted for each model at the time of plan submission.

In the Colony Subdivision, the vertical elements of the screen enclosure must match the architectural style of the home. Vertical elements are columns, pillars, posts, pilasters or other such architectural structures. The roof or horizontal framing elements must either match the vertical elements or be uniform bronze color aluminum. Typical mansard box cages are not permitted in this Subdivision. This requirement may be extended to future estate and executive type subdivisions.

The Declaration And General Protective Covenants & The Neighborhood Covenants of Heron Bay Communities may often require building and screen enclosure setbacks *greater* than any applicable municipal code requirements.

Chapter 6

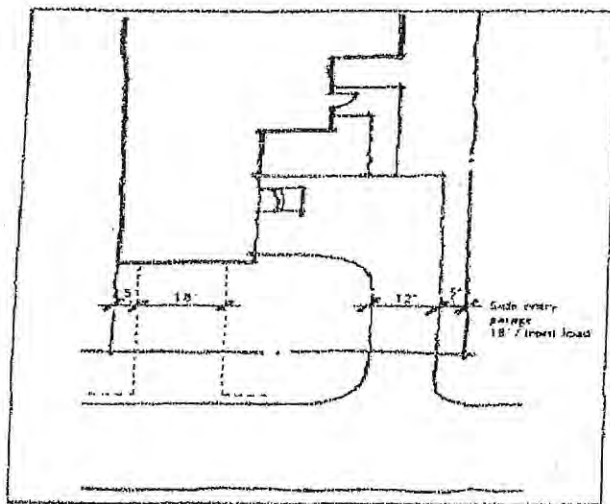
Garages, Driveways and Walkways

All residences shall have a minimum of a two (2) car garage and a maximum of a three (3) car garage.

Side entry garages are strongly encouraged.

Garages must have the same architectural character as the main house. To improve the exterior appearance, windows of the same type and rhythm as the main house should be incorporated into the design of the garage. Blinds, shutters or curtains should be provided to screen views inside the garage.

Superior quality, three-dimensional overhead doors should be used.



Side Entry Garage allows façade relief and greater streetside planting area.

Automatic garage door openers are required.

Driveways, walkways and/or patios shall be stone, paver tiles, interlocking bricks or stamped concrete. No asphalt, unfinished concrete or loose or epoxy type chattahoochee is permitted.

All driveways shall be a minimum of eighteen (18) feet in width and located at least five (5) feet from any property line.

Curb cuts shall be made by builders only in approved areas, and by approved contractors. Flare sections and flush bands shall be rubbed smooth to match the color and texture of adjacent curbing. Shoddy work shall be rejected and replaced at the expense of the builder.



Chapter 7

Awnings, Shutters, Fences and Walls

Awnings, canopies and shutters shall not be attached or affixed to the exterior of the residence without prior approval of the Committee.

Hurricane or storm shutters shall not be stored on the exterior of the residence, unless approved in writing by the Committee. Permanent shutters shall be installed as concealed, built-in, or removable. If permanently attached to the exterior, they shall be colored to compliment the building and trim colors. Shutters shall not be closed except for storm protection. Shutters shall be opened after the storm passes.

All proposed fences and walls shall be consistent with the exterior design of the residence and further, shall be constructed of masonry, aluminum or PVC materials.

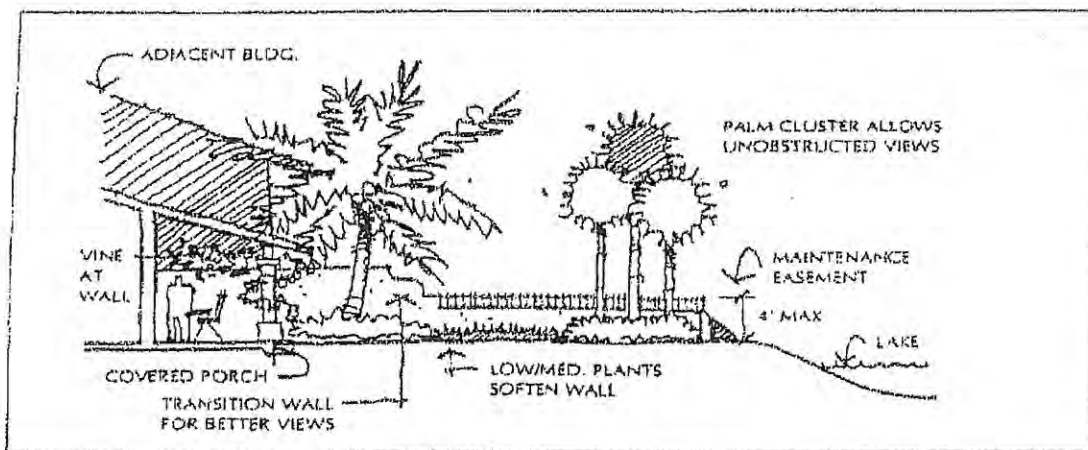
Perimeter fences or walls shall not be permitted without the approval of the Committee.

All fence approvals will require the installation of landscape materials with an 18 inch minimum height at the time of planting.

Planting shall be provided on both sides of walls to soften their appearance. **No wall or fence shall be permitted closer to the front than the mid point between the front and the rear of the home.**

The maximum height of concrete or masonry columns in the fence shall not exceed seven (7) feet from finished grade, and the fence or wall shall not exceed six (6) feet, unless approved by the Committee.

An approved roof gutter system should be provided on each residence. Downspouts shall be directed away from neighboring residence.



Typical Rear Yard Fence



Chapter 8

Exterior Lighting

The use of landscape lighting is encouraged. Landscape illumination should subtly accent rather than provide intense amounts of light that may overpower the surrounding nightscape.

Well lights, positionable up and down lights, and low voltage lights may be employed. Mercury vapor, metal halide, and halogen lamps are acceptable, with a maximum one hundred (100) watt output.

Lights and any required ballast or transformers shall be concealed from view and located to avoid "hot" spots visible from the street or adjoining properties. Green, black or bronze housing covers should be selected to blend into the landscape. All light sources, feeders and junction boxes must also be hidden by plantings.

Exposed floodlighting from the roof eaves or soffit will not be permitted. Recessed cans or "bullet-type" downlighting with glare shields should be utilized for this type of effect.

Wall, column, or post-mounted residential lighting shall be of a consistent design within the individual style of the community. Posts and luminaries should be selected at the proper size and proportion for the condition in which they are utilized.



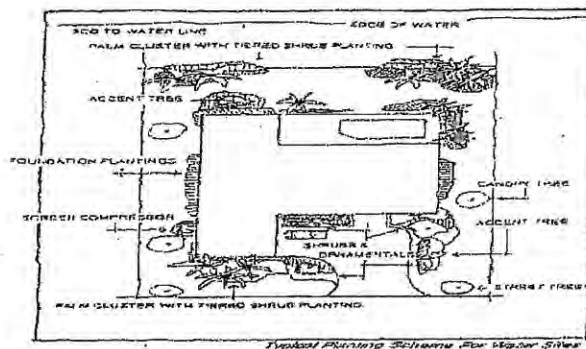
Chapter 9

Landscaping and Irrigation

Each resident at the time of final plan approval will provide the Committee with a sealed landscape plan.

All planting shall be completed according to the approved landscape plan prior to the issuance of a final Certification of Occupancy by the City Building Department. For purposes of illustration, typical lot landscaping plans are provided.

All water homesites and homesites visible from the Golf Course and roadways will require additional and exceptional rear yard landscaping. On water homesites palm grouping may be substituted for shade trees and a tiered planting scheme should be utilized.



The use of planting beds around foundations will be necessary. Layering of plant material adjacent to the home will reinforce the architecture of the home and also visually blend the house with the landscape. Flowering trees, ornamental shrubs, ground covers, and annuals help to provide a variety of colors and textures.

All grass areas, including front, rear, and side yards, shall be covered with Floratam Sod. All lots shall be sodded to the waterline.

A rust-free automatic underground irrigation system of sufficient size and capacity to irrigate all sodded and landscape areas shall be installed and used to maintain the areas in healthy condition. Filter devices to insure rust-free water will be required if wells are used.

Easements shall be granted for proper maintenance of landscape, pools, and other facilities.

All air conditioner compressors or unsightly mechanical equipment shall be visually screened from adjacent streets, by walls and/or shrub material.

Native plants and grasses should be utilized when possible or consistent with the design theme. These plants are generally more drought tolerant than ornamental species and will provide continuity with other plantings throughout Heron Bay.

All plantings should conform to local building codes.



Chapter 9

Estate Size Lots 90' or greater average width

The owner of the lot shall be required to plant a minimum of seven (7) shade trees per lot, with a minimum height of fifteen (15) feet and a crown of eight (8) feet for each tree. The Committee will require the planting of a minimum of two hundred (200) 18" – 24" foundation shrubs, five (5) accent trees with a minimum height of five (5) feet and a minimum spread of three (3) feet, and two hundred (200) assorted ground covers and/or flowers.

Executive Size Lots 75' or greater average width

The owner of the lot shall be required to plant a minimum of five (5) shade trees per lot, with a minimum height of fifteen (15) feet and a crown of eight (8) feet for each tree. The Committee will require the planting of a minimum of one hundred fifty (150) 18" – 24" foundation shrubs, four (4) accent trees with a minimum height of five (5) feet and a minimum spread of three (3) feet, and one hundred fifty (150) assorted ground covers and/or flowers.

Patio Home Lots

The owner of the lot shall be required to plant a minimum of three (3) shade trees per lot, with a minimum height of fifteen (15) feet and a crown of eight (8) feet for each tree. The Committee will require the planting of a minimum of one hundred (100) 18" – 24" foundation shrubs, three (3) accent trees with a minimum height of five (5) feet and a minimum spread of three (3) feet, and one hundred fifty (150) assorted ground covers and/or flowers.

Within yard areas abutting the Heron Bay waterway system, the following landscape materials shall be installed:

- > A cluster of three (3) palm trees with a minimum clear trunk of two (2') feet. The cluster of palm trees shall be one of the following species: queen palm, coconut palm, majesty palm, washingtonia palm, date palm, alexander palm, sabal palm, royal palm, or traveler palm. Within a single subdivision a variety of species is recommended.
- > At least one showy flowering tree with a minimum height of eight (8') feet. Recommended species are royal poinciana, jacaranda, orchid tree, golden shower, tabebuia, trumpet tree, buttercup tree, silk tree, crepe myrtle, bottle brush, mimosa, and coral tree. Within a single neighborhood, at least four different species shall be used and no adjoining lots shall have the same species.

Street Trees

The builder/owner shall be responsible for installing street trees within the road right-of-way.

All trees, unless otherwise noted, shall be 15' height x 6", 3-1/2" caliper Live Oak (*Quercus virginiana*) at an approximate spacing of 40' OC. All trees shall be minimum 6' CT and Florida Fancy Grade.

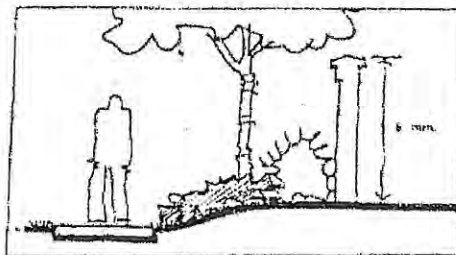
Chapter 10

Landscape Buffer Areas

Parcels/neighborhoods adjoining Heron Bay Boulevard are responsible for installing and maintaining the designated adjoining buffer areas which include the landscaping, lighting, irrigation, berms, and concrete bike paths specified in the construction plans as prepared by EDSA.

Entrance Walls

All entrances from Heron Bay Boulevard shall be constructed with the standard entrance wall treatment and related landscaping in accordance with the construction plans also prepared by EDSA.



Optional Buffer Wall.



Typical Parcel Sign

All buffer areas, common areas, entrances and related landscaping and irrigation shall be maintained at a minimum in accordance with the following maintenance requirement and schedule:

1. Turf Care

- a) Mowing: All turf area will be mowed and maintained at a height to promote healthy growth. Turf shall not exceed 3 ½ " in height.
- b) Edging: shall be performed around all plant beds, walkways, and curbing by mechanical means as a part of each mowing.
- c) Clippings: Shall be removed from walkways, streets and curbs after each mowing.
- d) Clean up: All lawn debris will be removed after each service.



Chapter 10

2. Shrubs and Trees

- a) All planting areas shall be cleaned and weeded to produce a neat and orderly appearance in accordance with the frequency specified. Mulch shall be freshened when necessary.
- b) Shrubs shall be trimmed in a natural form and may not be formally sheared. They should be pruned in a manner to promote healthy growth and should not exceed six (6') feet in height. As they grow, trees shall be limbed up to eight (8') feet to allow free movement under the tree. Trees should be carefully pruned to eliminate dead or diseased growth and encourage an attractive shape.
- c) All debris shall be removed after each service.

3. Fertilizing

- a) Turf areas shall be fertilized at least four times per year with a time release fertilizer.
- b) Palm trees shall be fertilized at least once per year with root injected fertilizer or three times per year with a surface application of time release fertilizer.
- c) Trees and shrubbery shall be fertilized at least twice per year.

4. Weed Control

- a) Plant beds shall be weeded per the attached schedule to maintain a neat appearance.
- b) Chemicals may be used by certified professionals to control weeds in plant beds.

5. Litter

Pick up any light, miscellaneous litter (such as paper, soda cans, etc.) from the buffer areas on all scheduled maintenance visits.

6. Repairs and Replacement

- a) Landscape materials destroyed or removed shall be replaced as soon as possible with the same size and species of material.
- b) Damaged sprinkler heads shall be repaired immediately.



Chapter 10

7. Minimum Schedule

When three mowings are required per month, the mowings will occur at approximately ten (10) day intervals. When there are two scheduled mowings, they will occur at approximately fourteen (14) day intervals. If, in a month when three cuts are scheduled, conditions exist that make the third cut unnecessary, or weather conditions are such that the third cut cannot be performed, the third cut will be scheduled later.

8. Minimum Maintenance Schedule

Lawn Cuts per year:	40
Edgings per year:	40
Tree Prunings per year:	12
Weedings & Detail per year:	12
Fertilization per year:	4
Landscape Pest Control:	as needed

9. Lighting

All lights shall be maintained and kept in operating condition, with approved wattages and types of illumination.



Chapter 12

Air Conditioners, Garbage and Trash Containers

All air conditioning units shall be hidden by landscaping or walls so that they shall not be visible from any street or adjacent property. Air conditioning equipment located in side yards shall be located no closer than four (4) feet to a side property line.

Window or wall air conditioning units shall not be permitted.

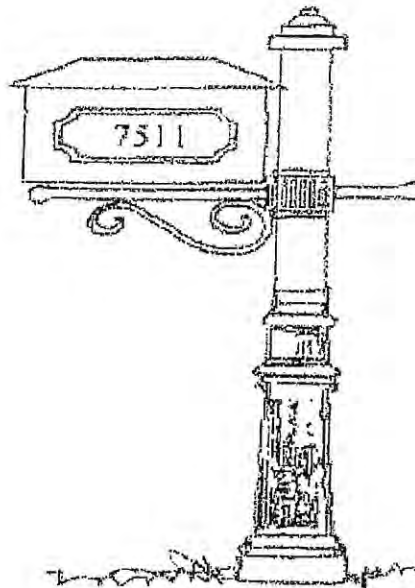
All garbage and trash containers shall be stored in an enclosed area and screened by landscape or walls from the street or adjacent property.



Chapter 13

Mailboxes, Antennas and Flagpoles

All mailboxes within a neighborhood shall be of a uniform design, color, and typical location. **The developer may select a uniform mailbox to be approved by the WCI Communities Architectural Design Department.** The community standard mailbox design is shown below.



Multi-family parcels may have group delivery boxes strategically located throughout a community. These should also be consistent with the unified system.

The mailbox shall be located abutting the street curb, and the front of the mailbox shall be located maximum distance of two (2) feet from the back of the curb or edge of street pavement, whichever applies. The mailbox shall have the address numbers mounted on both sides.

A flagpole for display of the American Flag shall be permitted, subject to Committee approval of placement, design and height. No flagpole shall be used as an antenna.

Outside antennas or full-size satellite dishes shall not be permitted. **Small wall mounted dishes, located in a concealed or obscure location, may be approved by the Committee.** The design, color, and location must be submitted to the Committee prior to installation.



Chapter 14

Swimming Pools and Accessory Structures

Aboveground swimming pools shall not be permitted. However, a spa installed as part of a swimming pool may be elevated in order to create a waterfall effect. Swimming pools shall, where possible, be placed in the rear yard and shall not be permitted in the street side setback area of the residence.

Accessory structures, such as gazebos, play equipment, tool sheds or doghouses shall not be permitted unless they are consistent with Architectural/Landscape design and specific written approval of the Committee is obtained.

Basketball backboards shall be oriented in such a manner that they shall not face the street. All basketball backboards must be located in the front yard only. Sufficient plantings shall be located behind the backboard as well as flanking each side, thereby minimizing visual impact from any viewpoint. The Committee will review the above on an individual basis in conjunction with landscape plan review.

Solar collectors shall be placed at only those locations as determined by the Committee. Detail plans and specifications, including piping and electrical, shall be submitted for approval. All such approved solar collectors shall be shielded from offsite views.

Decorative objects such as sculptures, birdbaths and fountains shall be in keeping with the exterior design of the residence. **None shall be placed or installed on any plot without the approval of the Committee.**

Where fountains will be used, great care should be given to the decorative nature of the fountain, as well as its location and size. Appropriate locations would be entry courtyards, forming an architectural integration with porticos and nearby garden focal points. The overall size of the fountain should be a maximum of six (6) feet in height, and six (6) to eight (8) feet in width, including bowl and basin. Wall fountains are also encouraged.

Waterfall, either as part of a landscape entry or as part of a Single Family Home design, are highly encouraged.

When lighting the fountains of waterfalls, the light should never overpower the space. Only subdued lighting shall be approved.



Chapter 15

Public Streets

Street right-of-ways in single family areas shall have a minimum width of 50 feet.

Street pavement shall be a minimum of 24 feet in width, including a two-foot wide curb and gutter.

Sidewalks shall be a minimum 6 feet wide concrete with uniform stiff broom or rock salt finish. The use of specialty finishes is encouraged at crosswalks, street lamps, group mailboxes and feature areas.

Landscape lighting should also be employed in conjunction with each community entry. One hundred (100) watt mercury vapor uplights should be utilized to illuminate key framework or median trees to expand the nighttime effect of entry signage.

Any community walkways should be provided with ample illumination to provide a feeling of safety.

All utility distribution lines shall be constructed underground in individual easements within the community boundaries.

All utility devices which must be above-ground shall be strategically located and screened so that they will not be visible to the general public or individual home sites.

Private Streets

Street right-of-ways in single family areas shall have a minimum width of 40 feet.

(iii) If approved by Architectural Review Committee or the Modifications Committee, temporary or permanent exterior shutters may only be closed during a storm event or when a storm event is imminent. A "storm event" is defined as a meteorological event in which winds in excess of 20 mph or rainfall has occurred, or is expected to occur, within 12 hours.

P. Lighting. Except for seasonal Christmas decorative lights, which may be displayed between December 1 and January 10 only, all exterior lights must be approved by Developer, the ARC or the Modifications Committee.

Q. Fences. All fences on any Lot must be approved in writing by Developer, the ARC or Modifications Committee. All fences shall have gates and gates shall have no locks unless the Association is provided with a key to such gate.

R. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Properties. Exterior sculpture, fountains, flags, and similar items must be approved by Developer, the ARC or the Modifications Committee.

S. Irrigation. Developer shall install a sprinkler system serving each Lot; with all irrigation water to be provided by the NSID. Lots shall be individually and separately metered and maintained and costs therefor paid individually by each Lot Owner. In addition, Developer and the Association reserve the right to install an effluent irrigation system to the property for the irrigation of the Lots and Common Areas. If installed, every Lot must participate in the use of such effluent irrigation system. Except for sprinkler or irrigation systems installed by Developer, no sprinkler or irrigation systems of any type which draw water from lakes, rivers, ponds, canals or other surface waters within the Properties shall be installed, constructed or operated within the Properties unless prior written approval from Developer, the ARC or the Modifications Committee has been obtained. Notwithstanding the foregoing, after obtaining all required governmental permits and authorizations, each Owner may at his sole expense, install a well on the Lot for irrigation purposes. Such well must include the use of a rust inhibitor prohibiting discoloration of landscaping, sidewalks, walls and buildings. Prior to the installation of such well, the Owner shall obtain all required permits and shall comply with all regulations of the City, NSID or any other governmental agency. Any damages to the Lot resulting from an Owner's failure to comply with the terms set forth herein shall be the sole responsibility of such Owner and neither Developer, the Association, nor Heron Bay Community Association shall be liable for the same.

Furthermore, each Owner understands that as provided in this Declaration, an Owner may be permitted to install a private fence, patio, and/or screened enclosure ("Improvement") on the Lot upon the prior written approval of the Board. Before the Board approves the installation of an Improvement, the irrigation system that will be within the Improvement portion of that Unit must be rerouted, if necessary, by a professional irrigation company. In order for the Board to approve the Improvement installation, a letter or other evidence by a professional irrigation company must be given to the Board at least ten (10) days before the Improvement installation stating that the effectiveness of the Bay Cove drainage system will not be affected by the

ARTICLE 3
GENERAL PROTECTIVE COVENANTS

3.1 Use Restrictions.

Declarant reserves the absolute right, power and authority to assign and reassign various land uses to Committed Property by instrument recorded in the Public Records of Broward County, Florida, Palm Beach County, Florida, if appropriate, and to inaugurate and implement variations from, modifications to, or amendments of a governmental zoning, land use restrictions, plans, land development regulations, development order and development permits applicable to Committed Property. Such modifications or amendments may increase or decrease the number of Plots permitted on all or portions of the Hex Bay Community.

3.2 Plans, Specifications and Locations of Structures.

(a) Declarant may establish, and from time to time modify, architectural review criteria for the design of all Structures and other work within Committed Property.

(b) No Structure shall be commenced, erected, improved or altered, nor shall any grading, excavation, tree removal or change of exterior color or other work be done, which in any way alters the exterior appearance of any Structure or Plot or any Association Common Area, Association Limited Common Area, or Neighborhood Common Area without the prior approval of the Declarant.

(c) Each Owner shall, prior to preparation of a final site plan, architectural and engineering plan and before the commencement of construction, submit to Declarant a (i) "preliminary/concept plan and design proposals" which shall include a sealed Plot plan, in detail to scale, schematic site plans, floor plans, exterior elevations, materials, detailed building and site design plans and specifications sufficient and definite in detail so that there can be determined character, exterior appearance, exterior materials and colors, and quality and kind of building and landscape materials proposed; and (ii) "final plans and specifications" which shall be a true extension of the "preliminary/concept plan and design proposals" Declarant shall, within ten (10) days after receipt of each required submission, which it deems complete, approve, reject or approve, subject to changes, such plans, proposals and specifications as are submitted to it as required above. Declarant reserves the right to require any additional information which may assist it in reaching its decision. If no written notice is sent by Declarant within said ten (10) days the submission shall be deemed rejected. After approval, any change in location, plan, exterior colors or exterior materials must be re-submitted.

approval. Failure to obtain approval by Declarant of all such plans, proposals, specifications and Plot plans prior to the commencement of any construction shall be deemed a material breach hereof and Declarant shall then have the right, in addition to any other rights permitted by law or in equity or in the Governing Documents, to proceed in the courts to obtain a mandatory injunction requiring any construction done without said approval to be torn down or removed forthwith. Declarant reserves the right to modify or enlarge this submission and approval process as it may relate to any particular Neighborhood.

(d) All plans, specifications, proposals, elevations and the like, required to be submitted pursuant to this Article 3.2 shall be prepared, executed and sealed by an architect duly licensed by the State of Florida.

(e) The approval, rejection or withholding of any approval by Declarant of the plans, specifications, proposals and the like, and the location of all Structures, and every alteration of any Structure, shall not be construed or interpreted as a representation or determination by Declarant that any building, plumbing, electrical code or other applicable governmental regulations or requirements have or have not been properly met by the Owner, it being understood that the approval of Declarant relates only to the aesthetics of the improvements shown on the plans and specifications, proposals and the like, and not to their sufficiency or adequacy. Each Owner shall be responsible for obtaining all necessary technical data and to make application to and obtain the approval of the appropriate City or County Building Department, and any other appropriate governmental agencies prior to commencement of any work or construction.

NO APPROVAL OF PLANS AND SPECIFICATIONS SHALL BE CONSTRUED AS REPRESENTING OR IMPLYING THAT SUCH PLANS AND SPECIFICATIONS WILL, IF FOLLOWED, RESULT IN PROPERLY DESIGNED OR CONSTRUCTED IMPROVEMENTS. SUCH APPROVALS AND STANDARDS SHALL IN NO EVENT BE CONSTRUED AS REPRESENTING OR GUARANTEEING THAT ANY DWELLING UNIT OR OTHER IMPROVEMENT BUILT IN ACCORDANCE THEREWITH WILL BE BUILT IN A GOOD AND WORKMANLIKE MANNER. NEITHER DECLARANT, NOR THE ASSOCIATION SHALL BE RESPONSIBLE OR LIABLE FOR (i) ANY DEFECTS IN ANY PLANS OR SPECIFICATIONS SUBMITTED, REVISED OR APPROVED PURSUANT TO THE TERMS OF THIS ARTICLE 3.2, (ii) ANY LOSS OR DAMAGE TO AN PERSON ARISING OUT OF THE APPROVAL OR DISAPPROVAL OF ANY PLANS OR SPECIFICATIONS, (iii) ANY LOSS OR DAMAGE ARISING FROM THE NON-COMPLIANCE OF SUCH PLANS AND SPECIFICATIONS WITH ANY GOVERNMENTAL ORDINANCES AND REGULATIONS, OR (iv) ANY DEFECTS IN CONSTRUCTION UNDERTAKEN PURSUANT TO SUCH PLANS AND SPECIFICATIONS.

(f) Declarant shall have no duty, responsibility or liability to any Owner or to any other Person whomsoever in respect to the exercise of its rights, or the failure to exercise its rights, under the

Declaration. Declarant may reject plans, specifications, proposals and the like based on any grounds or reason whatsoever, including pure aesthetic grounds, in its sole and absolute discretion. Declarant's decision to approve, reject or withhold its approval may, in the sole exercise of its discretion, be based upon: (i) the harmony of exterior design, color and location in relation to, and its effect upon surrounding structures, vegetation, topography, and the overall community designs; (ii) the character of the exterior materials; (iii) Declarant's design criteria; (iv) Declarant's Development Plan or (v) any other factor deemed material or relevant by Declarant.

(g) No bay windows, chimneys, balconies or other similar extendable Structures shall be permitted on, upon or over the building setback. Notwithstanding the preceding provision, the following extendable Structures shall be permitted on, upon or over the building setbacks:

- (i) Building appurtenances such as window sills, decorative banding and other similar appurtenances that do not protrude more than twelve (12") inches horizontally in a required building setback;
- (ii) Walls, fences, decks, and similar Structures not exceeding five (5') feet in height except walls or fences constructed by Declarant or its designees;
- (iii) The eaves of the roof of the Dwelling Unit;
- (iv) Air conditioners, pool pumps, sprinkler pumps or other similar mechanical equipment, provided there is adequate shielding of said mechanical equipment. The decision on what constitutes adequate shielding shall be made by Declarant, whose decision shall be final; and
- (v) As set forth in a Supplement or Neighborhood Covenant.

3.3 Colors.

No exterior colors on any Structure shall be permitted that, in the sole judgment of Declarant, would be inharmonious or discordant or incongruous with Committed Property, or a particular Neighborhood. All future exterior color changes desired by an Owner must be first approved by Declarant.

3.4 Factory Built Structures.

No Structure of any kind of what is commonly known as "factory built," "modular," or "mobile home" type construction shall be constructed, erected or placed on any Plot, unless approved

flagpole on a Plot shall exceed a height of fifteen (15') feet above ground level or the height of the Dwelling Unit, whichever is less. Declarant, its successors or assigns, shall have the right, for as long as Declarant maintains a sales office for the Heron Bay Community, to install a flagpole which will not exceed a height of thirty-five (35') feet above ground level.

3.9 Accessory or Temporary Buildings.

No tents and no accessory or temporary Structures shall be permitted on any Plot, unless approved by Declarant, whose decision shall be final. Declarant may, upon request of the Owner, permit a temporary construction facility during construction and its size, appearance, color, materials and temporary location on a Plot must be first approved by Declarant. No approved construction facility shall be used as a domicile, either temporary or permanent.

3.10 Outdoor Equipment and Storage Area.

All garbage and trash containers, oil tanks, bottled gas tanks, swimming pool equipment and housings, sprinkler pumps and other such outdoor equipment must be underground or placed in sight-screened, walled-in or fenced-in areas so that they shall not be readily visible from any adjacent street or Plot. In addition, Declarant may require that adequate landscaping be installed around these facilities and maintained by the Owner. No unenclosed storage area shall be permitted on any Plot. No enclosed storage area shall be constructed or erected which is separated from the principal Structure on the Plot.

3.11 Air Conditioners.

All air conditioning units shall be shielded and hidden so that they shall not be readily visible from any adjacent street or Plot. Wall and window air conditioning units shall not be permitted.

3.12 Solar Collectors.

Solar collectors shall only be permitted at locations and on Structures as are first approved by Declarant.

• 3.13 Signs.

No signs, freestanding or otherwise installed, shall be erected or displayed in or on any Plot. No "for rent" or "for sale" signs shall be posted, posted or displayed on any Plot or Structure, including, without limitation, in the window of any Dwelling Unit. No flashing signs shall be permitted. Notwithstanding anything contained herein, subdivision

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identification signs and required governmental signs (i.e., stop sign, yield sign, etc.) shall be permitted to be located on any Plot. Builder identification signs and lot identification signs approved by Declarant shall be permitted to be located on a Plot during construction of the Structure on such Plot.

3.14 Walls, Fences and Shutters.

No wall or fence shall be constructed with a height of more than five (5) feet above the ground level of an adjoining Plot except walls or fences constructed by Declarant or its designees, and no hedge or shrubbery abutting the Plot lines shall be permitted with a height of more than eight (8) feet without the prior approval of Declarant. No wall or fence shall be constructed on any Plot until its height, length, type, design, composition, material and location shall have first been approved by Declarant as set forth in Article 3.2 hereof. The height of any wall or fence shall be measured from the existing property elevations. Any dispute as to height, length, type, design, composition or material shall be resolved by Declarant, whose decision shall be final. Hurricane, storm or weather shutters or shades shall not be stored (as opposed to installed) on the exterior of any Structure without the approval of Declarant and all such shutters or shades on any one (1) Plot shall be uniform in character.

3.15 Lighting.

All exterior lighting of a Plot shall be accomplished in accordance with a lighting plan approved in writing by Declarant.

3.16 Mailboxes.

Prior to the installation or placement of a mailbox on a Plot or any portion thereof, the style, material and color of the mailbox shall be approved by Declarant. Declarant retains the right to require that all mailboxes and posts, or the mailboxes of a particular Neighborhood, be standard in appearance.

3.17 Clothes Drying Areas.

No outdoor clothes drying area shall be allowed. The hanging of laundry, clothing, rugs, or any other articles on any railing, fence, hedge, or wall is prohibited.

3.18 Vehicles.

(a) No "commercial vehicle" (as such term is defined in Section 18-5 of the City of Coral Springs Code, in effect on the date of recordation of this Declaration) (i) shall be permitted to be parked on

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any Plot for a period of more than four (4) hours unless such commercial vehicle is temporarily present and necessary in the actual construction or repair of a Structure, or for ground/landscape maintenance, or (ii) shall be permitted to be parked overnight or stored on any Plot unless same is fully enclosed inside a Structure.

(b) No bus, boat, boat trailer, or trailers of any kind, camper, mobile home, motor home or disabled Vehicle shall be permitted to be parked or stored on any Plot unless kept fully enclosed inside a Structure or parked in an area designated by Declarant for such purposes.

(c) No Vehicle shall be used under any circumstances as a domicile or residence, either permanent or temporary.

(d) Paragraphs (a) through (c) of this Article 3.18 shall not be deemed to prohibit any temporary facility otherwise permitted pursuant to this Declaration.

3.19 Pets and Animals.

(a) Commonly accepted household pets such as dogs and domesticated cats may be kept in reasonable numbers as determined by Declarant in its sole discretion.

(b) Obnoxious animals, fowl or reptiles shall not be kept or permitted to be kept on any Plot. The determination of what is or what may be an obnoxious animal, fowl or reptile shall be determined by Declarant, in its sole discretion.

(c) All animals shall be contained on the Owners' Plot and shall not be permitted to roam free, or to otherwise disturb the peace of other Owners.

3.20 Maintenance of Premises.

No weeds, underbrush, or other unsightly growth shall be permitted to grow or remain upon any Plot, and no refuse or unsightly objects shall be allowed to be placed or suffered to remain upon any Plot. All lawns, landscaping and sprinkler systems and any property, Structure, improvement and appurtenance shall be kept in good, safe, clean, neat and attractive condition. Upon the failure to maintain the premises as aforesaid to the satisfaction of Declarant and upon the Association's, Neighborhood Association's or Owner's failure to make such correction within fifteen (15) days of the giving of written notice by Declarant (which written notice does not have to be given by Declarant in the case of emergency, in which event, Declarant may without any prior notice directly remedy the problem), Declarant may enter upon such premises and

make such improvements or corrections as may be necessary, the costs of which shall be paid by the Association, Neighborhood Associations or Owner, as the case may be, or Declarant may bring an action at law or in equity. Such entry by Declarant or its agents shall not be a trespass and by acceptance of a deed for a Plot or Dwelling Unit in Committed Property, such party has expressly given the Declarant the continuing permission to do so, which permission may not be revoked. If any Owner, the Association or Neighborhood Associations fails to make payment within fifteen (15) days after request to do so by Declarant, the payment requested shall be a lien in accordance with the provisions of Article 6 hereof.

3.21 Waterbodies.

(a) No Structure of any kind shall be constructed or erected, nor shall Owner in any way change, alter, impede, revise or otherwise interfere with the flow and the volume of water, in any portion of any waterbody reserved for, or intended by Declarant or NSID to be reserved for, drainage ways, sluiceways or for the accumulation of runoff waters, as reflected in any plat, this Declaration, Supplement or other instrument of record, without the specific written permission of Declarant or NSID.

(b) Owner shall in no way deny or prevent ingress and egress to such water bodies for maintenance or landscape purposes by Declarant, NSID, Association or any appropriate governmental agency that may reasonably require any right of ingress and egress, and easements therefore are hereby specifically reserved and created, as described in this Declaration.

(c) No Plot shall be increased in size by filling in any water or retention or drainage areas on which it abuts. Owner shall not fill, dike, rip-rap, block, divert or change the established water or retention or drainage areas that have been or may be created by easement or by plat without the prior written consent of Declarant, which consent may be withheld in Declarant's or NSID's sole discretion.

3.22 Nuisances.

Nothing may or shall be done on Committed Property which may be or may become an annoyance or nuisance to any Person or to a Neighborhood. No obnoxious, unpleasant, unsightly or offensive activity shall be carried on, nor may anything be done, which can be reasonably construed to constitute a nuisance, public or private in nature. Any question with regard to the interpretation of this Article 3.22 shall be decided by Declarant whose decision shall be final.

in compliance with applicable governmental requirements, or sprinkler systems for any portions of the Committed Property. Further excepted is excavation for swimming pools or spas constructed in accordance with the provisions of this Declaration.

3.26 Outdoor Recreational Courts.

(a) No outdoor recreational courts, including, but not limited to, tennis, racquetball, basketball, volleyball or badminton courts shall be permitted; unless first approved by Declarant, which approval may be in Declarant's sole discretion be withheld; however, Declarant, subject to Section 3.26(b) hereof, shall permit a standard regulation basketball backboard and metal pole which are located adjacent to the Dwelling Unit's permitted driveway. The decision of what constitutes adjacent shall be made by Declarant, whose decision shall be final. Game court lighting shall only be permitted upon conditions specified by Declarant, including, but not limited to, designation of the hours of illumination. All game court lighting must be first approved by Declarant, which approval may in Declarant's sole discretion be withheld.

(b) Prior to the erection of a basketball backboard or pole on the Plot, the material, location and color of same shall be approved by Declarant. An approved basketball backboard and pole shall be located adjacent to the Dwelling Unit's permitted driveway. Basketball backboards are prohibited from being attached to the Dwelling Unit.

3.27 Above Ground Pools, Spas and Hot Tubs.

Above ground swimming pools, spas and hot tubs are prohibited, except placement of spas or hot tubs may be permitted so long as there is appropriate landscaping and/or screening. The decision of what constitutes appropriate landscaping and/or screening shall be made by Declarant, whose decision shall be final.

3.28 Decorative Objects.

No decorative objects such as weathervanes, sculptures, birdbaths, fountains and the like shall be placed or installed on a Plot without Declarant approval.

3.29 Time-Sharing.

No portion of the Committed Property shall be used for real estate time sharing, interval ownership or "time-share plan" of any type. For purposes of this section, a time-share plan shall be as defined in Section 721.05(28), Florida Statutes (1989).

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3.30 Casualty Destruction to Improvements.

If a Structure or other improvement is damaged or destroyed by casualty loss or other loss, then within a reasonable period of time after such incident, as determined by Declarant, the Owner thereof shall either commence to rebuild or repair the damaged Structure or improvement and diligently continue such rebuilding or repairing until completion, or properly clear the damaged Structure or improvement and restore or repair the Plot in a manner aesthetically satisfactory to Declarant. As to any such reconstruction of a destroyed Structure or improvement, the same shall only be replaced with Structures or improvements as are approved by Declarant as provided herein.

3.31 No Implied Waiver.

The failure of Declarant to object to an Owner or another Person's failure to comply with the covenants and restrictions contained herein shall in no event be deemed a waiver by Declarant, or any other Person having an interest herein, of its rights to object to the same and to seek compliance therewith in accordance with the provisions of this Declaration.

3.32 Rights Reserved by Declarant.

Notwithstanding anything contained in this Article 3 or elsewhere in this Declaration or the Governing Documents, Declarant and its nominees, assignees, successors and designees shall have the right to construct, modernize, improve, landscape, demolish, maintain and repair Structures, including the carrying on of all activities appurtenant thereto or associated therewith, as Declarant deems necessary or appropriate for the development of the Heron Bay Community and same shall not be governed by the provisions of said Article 3. Declarant reserves the right to lease or sell any Plot or Plots on terms determined in its sole discretion. Further, notwithstanding any other provision of the Declaration, Declarant reserves and Declarant, and its nominees, assignees, successors and designees, shall have the right to enter into and transact on the Heron Bay Community or the Committed Property any business necessary to consummate the sale, lease, improvement, repair, maintenance, encumbrance, or the like, of Plots or other property in the Heron Bay Community including, but not limited to, the right to maintain models and sales and leasing offices, place signs, employ sales personnel, use the Association Common Area and Neighborhoods, and show Plots. Any such models, sales areas, sales construction, maintenance and repair shall not be considered a part of the Association Common Area or a Neighborhood and shall remain the property of Declarant or its nominees or designees. Declarant reserves the right, at its discretion and for such period as it determines, to pay the costs of maintaining, operating, and staffing one or more

gatehouses, if any, (whether or not Committed Property or Association Common Area) serving the Heron Bay Community. The costs so paid by Declarant, if any, may be part of or may be in excess of the costs therefore as provided in the Budget adopted by the Association. In the event Declarant elects to pay for all or a portion of the costs of staffing such gatehouse it may, in its sole and absolute discretion, and upon sixty (60) days notice to the Association cease paying for same. In this event, such costs would be paid for by the Owners or such staffing may cease. This Article 3.32 may not be suspended, superseded or modified in any manner unless such amendment is consented to by Declarant in writing. These rights of use and transaction of business as set forth in the Governing Documents, like Declarant's other rights herein, and other rights reserved by Declarant in the other Governing Documents, may be assigned in writing by Declarant, in whole or in part, when and to whom Declarant determines in its sole discretion.

3.33 Declarant's Exculpation and Approvals.

Declarant may grant, withhold or deny its consent, permission or approval in any instance when its consent, permission or approval is permitted or required, at its sole discretion, and without any liability of any nature or kind, to Owner or any other Person for any reason whatsoever. Every consent, permission or approval by Declarant under this Declaration shall be in writing and binding upon all Persons.

3.34 Subdivision and Regulation of Land.

(a) No Plot shall be divided or subdivided without the prior consent of Declarant, who may impose certain requirements on Owner as a condition of consent. Declarant shall have the right to assign the number of Property Units for each Plot, notwithstanding anything contained herein, and the number of Property Units assigned to a Plot by Declarant shall not be increased and shall not be exceeded without the prior approval of Declarant.

(b) No covenant, condition, restriction or other provision of this Declaration shall be construed as in any manner limiting or preventing any Plot, and the improvements thereon, from being submitted to a plan of condominium ownership; and particularly, condominium shall not be construed as constituting a subdivision of any Plot provided that the number of Property Units of the condominium is not greater than the number of Property Units assigned to the Plot.

(c) An Owner (other than Declarant) shall not inaugurate or implement any variation from, modification to, or amendment of Declarant's development plan, or governmental regulations, land use plans, land development regulations, zoning, development orders or development permits applicable to the Heron Bay Community.

3.35 Owner and Member Compliance.

(a) The protective covenants, conditions, restrictions and other provisions of this Declaration shall apply not only to Owners, Members and Persons to whom a Member has delegated his right of use in and to the Association Common Area and Association Limited Common Area, but also to any other Person occupying an Owner's Plot under lease from the Owner or by permission or invitation of the Owner or his tenants, expressed or implied, licensees, invitees or guests.

(b) Failure of an Owner to notify any Person of the existence of the covenants, conditions, restrictions, and other provisions of this Declaration shall not in any way act to limit or divest the right of Declarant of enforcement of these provisions against the Owner or such Person and, in addition, the Owner shall be responsible for any and all violations of these provisions by his tenants, delegates, licensees, invitees or guests, and by guests, licensees and invitees of his tenants at any time.

(c) The costs to repair or replace any portion or portions of the Association Common Area, or Association Limited Common Area, due to damage caused by any Owner, any member of such Owner's family, or any tenant, delegatee, agent, licensee, guest or invitee of such Owner or Owner's family shall be assessed against such Owner and his Plot as a Special Assessment in accordance with the provisions of this Declaration.

3.36 Business Use of Dwelling Units. No trade or business may be conducted in or from any Dwelling Unit, except that an Owner or occupant residing in a Dwelling Unit may conduct business activities within the Dwelling Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling Unit; (b) the business activity conforms to all zoning requirements for the Plot and all applicable County ordinances, including business license requirements; (c) the business activity does not involve persons coming onto the Plot or Dwelling Unit who do not reside in the Dwelling Unit; and (d) the business activity is consistent with the residential character of the Neighborhood and does not constitute a nuisance, or hazardous or offensive use, or threaten the security or safety of other residents.