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RESTATED
DECLARATION OF RESTRICTIVE COVENANTS
FOR
SILVERLAKES-GATEWAY

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RESTATED
DECLARATION OF RESTRICTIVE COVENANTS
FOR
SILVERLAKES-GATEWAY

THIS RESTATED DECLARATION OF RESTRICTIVE COVENANTS FOR SILVERLAKES-GATEWAY (this "Declaration") is made as of February 23, 2000 by Lennar Homes, Inc., a Florida corporation ("Lennar") and joined in by Silverlakes-Gateway, Inc., a Florida corporation ("Club Owner") and by Silverlakes-Gateway Homeowners Association, Inc., a Florida not-for-profit corporation ("Association").

R E C I T A L S

1. Lennar and Club Owner recorded that certain Declaration of Restrictive Covenants Silverlakes-Gateway (the "First Declaration") in Official Records Book 2520 at Page 485 of the Public Records of Lee County, Florida respecting the residential community located in Lee County known as Silverlakes-Gateway, more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Properties").
2. The Original Declaration was amended by virtue of the following amendments (collectively, the "Amendments"): Amendment to Declaration of Restrictive Covenants Silverlakes-Gateway recorded in Official Records Book 2676 Page 2995 that certain Amendment to Declaration of Restrictive Covenants Silverlakes-Gateway recorded in Official Records Book 2970 at Page 1023, both in the Public Records of Lee County, Florida (collectively, the "Amendments"). The First Declaration together with the Amendments shall herein after be referred to as the "Original Declaration."
3. Section 2 of Article II of the Original Declaration permits the Declarant to amend the Original Declaration at any time until the Community Completion Date, in its sole discretion and as it deems appropriate.
4. At this time, it is prior to the Community Completion Date and Lennar, as the Declarant, desires to amend and restate the Original Declaration in its entirety as set forth herein.
5. Club Owner is simultaneously herewith amending and restating the Original Club Covenants which were attached as Exhibit "E" to the Original Declaration ("Original Club Covenants") in their entirety, in order to separate entirely the Original Club Covenants from the Original Declaration.
6. This Declaration is a covenant running with all of the land comprising the Properties, and each present and future owners of interests therein and their heirs, successors and assigns are hereby subject to this Declaration.

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NOW THEREFORE, Declarant hereby declares that the Properties are and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions and restrictions hereinafter set forth.

1. Recitals. The foregoing Recitals are true and correct and are incorporated into and form a part of this Declaration.
2. Original Declaration. The Original Declaration shall be of no further force and effect as it is replaced entirely by this Declaration.
3. Definitions. In addition to the terms defined elsewhere in this Declaration, all initially capitalized terms herein shall have the following meanings:

"A.C.C." shall mean the Architectural Control Committee established pursuant to Section 16 hereof.

"Annexation Notice" shall mean the notice by which additional lands are subjected to the provisions of this Declaration as more particularly described in Section 5.1.

"Articles" shall mean the Articles of Incorporation of Association filed with the Florida Secretary of State attached hereto as Exhibit "B".

"Assessments" shall mean any assessments made in accordance with this Declaration.

"Association" shall mean the Silverlakes-Gateway Homeowners Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

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

"Gateway PUD" shall mean the development known as Gateway PUD as filed with the applicable governmental authorities.

"By-Laws" shall mean the By-Laws of Association attached hereto as Exhibit "C".

"Club" shall mean the Silverlakes-Gateway Club, including the land and club facilities provided for the Owners pursuant to the provisions of Club Covenants.

"Club Charges" shall mean the charges related to the Club to be paid by the Owners pursuant to the provisions of the Club Covenants including, without limitation, the Club Fee and Club Operating Costs.

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"Club Covenants" shall mean the Silverlakes-Gateway Club Covenants together with all amendments and modifications thereof. A copy of the Club Covenants is attached hereto as Exhibit "D" and made a part hereof. This Declaration is subordinate in all respects to the Club Covenants.

"Club Fee" shall mean the fee to be paid to the Club Owner by each Owner pursuant to the provisions of this Declaration and the Club Covenants.

"Club Manager" shall mean the entity operating and managing the Club at any given time. As provided in the Club Covenants, Association may, at the direction of Club Owner, be required to act as Club Manager from time to time.

"Club Operating Costs" shall have the meaning set forth in the Club Covenants.

"Club Owner" shall mean the owner of the real property comprising the Club and its successors and assigns. At this time, Silverlakes-Gateway, Inc. is Club Owner.

"Common Area" shall mean all real property (and interests therein and improvements thereon) and personal property within the Properties, as they exist from time to time, and all additions thereto, which is, or is to be, designated as Common Area by Declarant and, provided for, owned or leased by, or dedicated to, the common use and enjoyment of the Owners which may include, without limitation, open space areas, lakes, fountains, irrigation pumps and lines, parks, sidewalks, streets, service roads, site walls, commonly used utility facilities, project signage, commonly used parking areas and easements, commonly used lighting, entranceways and features and guardhouses. The Common Area shall also include all portions of the Properties which are designated as such by Declarant or on any plan or map prepared by Declarant. The Common Area does not include any Homesites or the Club.

"Community" shall mean the Community known as Silverlakes-Gateway in which the Properties are located. The Declarant may, when amending or modifying the description of Properties subject to the operation of this Declaration, also amend or modify the definition of the Community.

"Community Completion Date" shall mean the date upon which all Homesites in the Community, as ultimately planned and as fully developed, have been conveyed by Declarant to Owners.

"Community Development Districts" shall mean one or more existing, or to be created, development, taxing or service districts which will, or may, provide various services and facilities to the Community which may include, without limitation, formation, construction, operation, inspection and maintenance of water management and drainage facilities and easements, lake

maintenance easements, water and sewer facilities and easements, roads, community irrigation systems, landscaping, entry features, gate facilities and entry systems, features, and street lighting.

"Community Development Facilities" shall mean the property and/or facilities owned and/or operated by the Community Development Districts.

"Community Standards" shall mean such standards of conduct, maintenance or other activity, if any, established by Declarant, the Association, the A.C.C., the Board or any committee thereof relating to, amongst other things, activities described in Section 16 hereof.

"Declaration" shall mean this Declaration together with all amendments and modifications thereof.

"Declarant" shall mean Lennar Homes, Inc., its specific designees, successors and assigns.

"Exclusive Common Area" shall mean those portions of the Common Area which have been restricted to use by less than all Owners.

"Home" shall mean a residential dwelling and appurtenances thereto, constructed on a Homesite within the Properties.

"Homesite" shall mean a parcel of real property upon which a Home has, or will, be constructed. Once improved, the term Homesite shall include all improvements thereon and appurtenances thereto. The term Homesite, as used herein, may, or may not, reflect the same division of property as exists on the underlying Plat affecting the Properties.

"Lender" shall mean the holder, insurer or guarantor of a first mortgage encumbering a Homesite or Home.

"Master Declaration" shall mean the Declaration of Covenants and Restrictions for Gateway, as amended, filed in the Official Records of Lee County, Florida, if applicable.

"Master Plan" shall mean the proposed Master Plan for the development of the Community, as it exists as of the date of recording this Declaration. The Master Plan is subject to change as set forth herein. References to the Master Plan are for the purpose of identifying the various Homesites, Club and Common Areas which may be subjected by Declarant to the provisions hereof and shall not be deemed to obligate the Declarant or Club Owner to do so, or, be deemed to be a representation by Declarant as to the development of the Community or its amenities.

"Operating Costs" shall mean all costs of ownership, operation and administration of the Association and Common Area and/or to be paid by the Association hereunder, including, but

not necessarily limited to, funds expended by Declarant prior to conveyance and/or dedication of the Common Area, utilities, taxes, insurance, bonds, gatehouse attendant costs, salaries, management fees, professional fees, administrative costs, service costs, supplies, maintenance, repairs, replacements and refurbishments and any and all costs relating to the discharge of the obligations hereunder or as determined to be part of the Operating Costs by the Association and/or as provided herein.

"Owner" shall mean the record owner (whether one or more persons or entities) of the fee simple title to any Homesite. The term "Owner" shall not include Declarant, Club Owner, or those persons or entities designated by Declarant, or a Lender, or those having an interest in a Homesite or a portion of the Properties merely as security for the performance of an obligation.

"Plat" shall mean the Plat of the Properties as filed in the Public Records, as the same may be amended by Declarant, from time to time.

"Properties" shall mean that certain real property described in Exhibit "A" affixed hereto and made a part hereof, subject to additions thereto or deletions therefrom as may hereafter be brought within, or deleted from, the provisions and applicability of this Declaration.

"Public Records" shall mean the Public Records of Lee County, Florida.

"Rules and Regulations" shall mean the Rules and Regulations affecting the Properties as adopted by the Board from time to time.

"Special Assessments" shall mean those Assessments more particularly described as Special Assessments in Section 14.5 hereof.

"Villas" shall mean duplex attached homes. Villas are included in the definition of Homes, except as specifically indicated in this Declaration.

"Withdrawal Notice" shall mean the notice by which portions of the Properties are withdrawn from the provisions of this Declaration as more particularly described in Section 5.3 hereof.

4. Term/Amendment.

4.1. Term. The covenants and restrictions of this Declaration shall run with and bind the Properties for a term of Fifty (50) years from the date this Declaration is recorded in the Public Records. Thereafter, this Declaration shall be automatically extended for successive periods of ten (10) years unless otherwise terminated as provided herein. Each Owner, by acceptance of title to a Home or Homesite, and any person claiming by, through or under such Owner, agrees to be

subject to this Declaration and the provisions hereof. The provisions of this Declaration are equitable servitudes and run with the land.

4.2. Amendment. The Declarant shall have the right, at any time until the Community Completion Date, to amend this Declaration as it, in its sole discretion, deems appropriate. After the Community Completion Date, except as provided to the contrary herein or as otherwise consented to by Declarant, this Declaration may be amended at any time, and from time to time, upon the recordation of an instrument executed by the Association upon vote of: (i) seventy-five percent (75%) of the Board; and (ii) those persons or firms entitled to vote seventy-five percent (75%) of all votes of each class of voting membership in the Association who are entitled to vote on the matter as set forth in the Articles and By-Laws. Until the Community Completion Date, the Declarant's written consent to any amendment must first be obtained. No amendment, whether before or after the Community Completion Date, shall affect the rights of Declarant or Club Owner without the prior written consent of the Declarant or Club Owner, which may be withheld in Declarant's or Club Owner's sole discretion. No amendment shall alter the subordination provisions of this Declaration without the prior approval of any Lender enjoying the benefit of such provisions. Notwithstanding anything contained herein to the contrary, if the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to this Declaration then the prior written consent of such entity or agency must also be obtained.

5. Annexation and Withdrawal.

5.1. Annexation by Declarant. Until the Community Completion Date, additional lands may be annexed to the Properties by Declarant. Except for applicable governmental approvals (if any), no consent to such annexation shall be required from any other party (including, but not limited to, Association, Owners, or any Lender). Such annexed lands shall be brought within the provisions and applicability of this Declaration by the recording the Annexation Notice in the Public Records. The Annexation Notice shall refer to this Declaration and, by doing so, shall, unless specifically otherwise provided, incorporate by reference all the covenants, conditions and restrictions of this Declaration, thereby subjecting the annexed lands to the covenants, conditions and restrictions contained in this Declaration as fully as though the annexed lands were described herein as a portion of the Properties. The Annexation Notice may contain additions to, deletions from, or modifications of, the covenants, conditions and restrictions contained in this Declaration as deemed appropriate by Declarant and as the Declarant may deem necessary to reflect the different character, if any, of the annexed lands.

5.2. Annexation by Association. After the Community Completion Date, additional lands may be annexed with the consent of the Board and membership of the Association obtained as set forth in Section 4.2 hereof, and compliance with applicable government requirements.

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5.3. Withdrawal. Until the Community Completion Date, any portions of the Properties (or any additions thereto) may be withdrawn by Declarant from the provisions and applicability of this Declaration, by recording a Withdrawal Notice in the Public Records. The right of Declarant to withdraw portions of the Properties shall not apply to any Homesite which has been conveyed to an Owner unless that right is specifically reserved in the instrument of conveyance or the prior written consent of the Owner is obtained. The withdrawal of any portion of the Properties shall not require the consent or joinder of any other party (including, but not limited to, the Association, Owners, or any Lender), except that the written consent of Club Owner must first be obtained.

5.4. Paramount Right of Declarant. Notwithstanding anything to the contrary herein, prior to the Community Completion Date, the Declarant shall have the paramount right to dedicate, convey (by absolute conveyance, easement, or otherwise), any portions of the Properties, for various public purposes, or to make any portions of the Properties part of the Common Area, or to create and/or implement a taxing or Community Development Districts which may include all or any portion of the Properties.

5.5. Vacating Recorded Plat. If required by applicable law or governmental regulation, Declarant will not vacate any portion of a Plat which provides for open space, unless it vacates the entire Plat of record.

6. Dissolution.

6.1. Generally. In the event of the dissolution of the Association, without reinstatement within thirty (30) days, other than incident to a merger or consolidation, any Owner may petition the Circuit Court of the appropriate Judicial Circuit of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Association and to manage the Common Area in the place and instead of the Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association and the Common Area.

6.2. Applicability of Declaration after Dissolution. In the event of dissolution of the Association or termination of this Declaration, except as specified to the contrary by Declarant, the Properties and each Homesite shall continue to be subject to the provisions of this Declaration, including, but not limited to, Assessments and Club Charges. Each Owner shall continue to be personally obligated to the successors or assigns of the Association and/or Club Owner, as the case may be, for Assessments and Club Charges to the extent that Assessments and Club Charges are required to enable the successors or assigns of the Association and/or Club Owner to properly maintain, operate and preserve the Common Area and/or Club. Notwithstanding the foregoing, the Club Owner shall continue to be entitled to receive the Club Fee for providing the Club, for the benefit of the Owners. The provisions of this Section shall only apply with regard to the maintenance, operation, and preservation of those portions of the Properties which had been Common Area and/or comprised part of the Club and continue to be so used for the common use and/or enjoyment of the Owners.

7. Binding Effect and Membership.

7.1. Agreement. Each Owner by acceptance of title to a Homesite and any person claiming by, through, or under such Owner, agrees to be subject to this Declaration and the provisions hereof. The provisions of this Declaration are equitable servitudes and run with the land.

7.2. Transfer. The transfer of the fee title to a Homesite, whether voluntary or by operation of law, terminating the Owner's title to that Homesite shall terminate the Owner's rights to the use of and enjoyment of the Common Area and/or Club as it pertains to that Homesite. An Owner's rights and privileges under this Declaration are not separately assignable. The Owner of each Homesite is entitled to the benefits of, and is burdened with the duties and responsibilities according to, the provisions of this Declaration. All parties acquiring any right, title and interest in and to any Homesite shall be fully bound by the provisions of this Declaration. In no event shall any Owner acquire any rights that are greater than the rights granted to, and limitations placed upon its predecessor in title pursuant to the provisions of this Declaration.

7.3. Membership. Upon acceptance of title to a Homesite and as more fully provided in the Articles and By-Laws, each Owner becomes a Class A member of the Association. Membership rights are governed by the provisions of the Articles and By-Laws. Membership shall be an appurtenance to, and may not be separated from, the ownership of a Homesite. The Declarant is the Class B member of the Association.

7.4. Voting Rights. Voting rights in the Association are governed by the provisions of the Articles and By-Laws.

7.5. Document Recordation by Owners Prohibited. Neither Association, nor any Owner, nor group of Owners, may record any documents which, in any way, affect or restrict the rights of Declarant or Club Owner or conflict with the provisions of this Declaration without the prior written consent of Declarant or Club Owner, as applicable.

8. Operation of Common Areas

8.1. Prior to Conveyance. Prior to the conveyance or dedication of portions of the Properties to the Association or to the Community Development Districts, as the case may be, that portion of the Properties shall be owned, operated and administered by the Declarant, 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, the Declarant shall own, operate and administer such Properties without interference from any other person or entity whatsoever. Upon conveyance and/or dedication such Properties shall become Common Area and/or Community Development Facilities, as the case may be.

8.2. Operation After Conveyance. After the conveyance or dedication of all or a portion of the Common Area or Community Development Facilities to Association or Community Development Districts, as the case may be, the portion of the Common Area or Community Development Facilities so dedicated shall be owned, operated and administered by the Association or Community Development Districts for the use and benefit of the owners of all property interests in the Properties, including, but not limited to, Association, Declarant, Club Owner, Owners and Lenders. Once conveyed or dedicated to the Association or Community Development Districts, title to the Common Area or Community Development Facilities, as the case may be, may not, subject to the Association's right to grant easements, etc., be conveyed, abandoned, alienated, encumbered or transferred, without: (i) if prior to the Community Completion Date, the prior written consent of Declarant being first had and obtained; and (ii) thereafter, the prior written consent being obtained from the Board and Owners in the manner provided in Section 4.2; and (iii) the prior written consent of the Club Owner being first had and obtained.

8.3. Construction of Facilities. Declarant or, if applicable, a Community Development District has constructed, or will construct, at its sole cost and expense, certain facilities and improvements as part of the Common Area or Community Development Facilities, as the case may be, together with equipment and personalty contained therein, and such other improvements and personalty as Declarant or a Community Development District, as the case may be, determines, in its sole discretion. Declarant or a Community Development District, as the case may be, shall be the sole judge of the composition of such facilities and improvements. Prior to the Community Completion Date, Declarant reserves the absolute right to, from time to time, in its sole discretion, construct additional Common Area facilities or Community Development Facilities and improvements within the Community and to remove, add to, modify and change the boundaries, facilities and improvements now or then part of the Common Area or Community Development Facilities. Declarant is not obligated to, nor has it represented that it would, modify or add to the facilities, improvements or Common Area or Community Development Facilities as they are contemplated as of the date hereof. Declarant, or, if applicable, the Community Development Districts, as the case may be, is the sole judge of the foregoing, including the plans, specifications, design, location, completion schedule, materials, size and contents of the facilities, improvements or Common Area or Community Development Facilities, or changes or modifications to any of them.

8.4. Delegation. Once conveyed or dedicated to the Association or Community Development District, as the case may be, the Common Area or Community Development Facilities and facilities and improvements located thereon, shall, subject to the provisions of this Declaration, at all times be under the complete supervision, operation, control and management of the Association or the Community Development District, as the case may be. The Association or Community Development District, as the case may be, may delegate all or a portion of such supervision, operation, control and management to such parties or entities as it deems appropriate.

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8.5. Use. The Common Area or Community Development Facilities shall be used and enjoyed by the Owners on a non-exclusive basis in common with other persons, entities and corporations (who may, but are not required to be, members of the Association) entitled to use those portions of the Common Area or Community Development Facilities. Prior to the Community Completion Date, the Declarant, and thereafter, the Association, has the right, at any and all times, and from time to time, to further additionally provide and make the Common Area available to other individuals, persons, firms, or corporations, as it deems appropriate. The granting of such rights shall not invalidate this Declaration, reduce or abate any Owner's obligations pursuant to this Declaration, or give any Owner the right to avoid any of the covenants, agreements or obligations to be performed hereunder.

8.6. Rules. Prior to the Community Completion Date, the Declarant, and thereafter the Association, shall have the right to adopt rules and regulations governing the use of the Common Area. The Rules and Regulations attached hereto are adopted as the initial rules and regulations governing, amongst other things, the use of the Common Area.

8.7. Districts. In the event that any portions of the Properties are acquired by, or dedicated to a Community Development District, those portions of the Properties shall be subject to the jurisdiction and control of the Community Development District(s).

8.8. Exceptions. The Rules and Regulations shall not apply to Declarant, or its designees, or to any property owned by Declarant or its designees, and shall not be applied in a manner which would prohibit or restrict the development of the Community, Properties and the development, construction and sale of any Homesite or Homes by Declarant or its designees. Specifically, subject to the provisions of Section 18 and without limitation, Declarant, and/or its assigns, shall have the right to: (i) develop the Properties and construct improvements on any Homesite and related improvements within the Properties, and make any additions, alterations, improvements, or changes thereto; (ii) maintain customary and usual sales, general and administrative office and construction operations on the Properties; (iii) place, erect or construct portable, temporary or accessory buildings or structures upon the Properties for sales, construction, storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of any of the Properties, Homesites or Homes; (v) post, display, inscribe or affix to the exterior of a Homesite, Home, or upon the Properties, signs and other materials used in developing, constructing, selling or promoting the sale of the Properties, Homesite and Homes; (vi) excavate fill from any lakes or waterways within and/or contiguous to the Properties by dredge or dragline, store fill on the Properties and remove and/or sell excess fill; and (vii) grow or store plants and trees within, or contiguous to, the Properties and use and/or sell excess plants and trees; and (viii) undertake all activities which, in the sole and unrestricted discretion of Declarant are necessary for the development and sale of the Properties or any lands or improvements therein, Homesites and Homes.

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8.9. Exceptions - Club. The Rules and Regulations shall not apply to the Club Owner, or their designees, or to any property owned by Club Owner, and shall not be applied in a manner which would prohibit or restrict the development of the Club or affect the interests of the Club Owner. Specifically, subject to the provisions of Section 18, and without limitation, the Club Owner, and/or its assigns, shall have the right to: (i) develop and construct the Club and related improvements within the Properties, and make any additions, alterations, improvements, or changes thereto; (ii) maintain customary and usual sales, general and administrative office and construction operations on the Club; (iii) place, erect or construct portable, temporary or accessory buildings or structures upon the Club for sales, construction, storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of any of the Club; (v) post, display, inscribe or affix to the exterior of the Club, signs and other materials used in developing, constructing, selling or promoting the sale of the Properties, Homesites and Homes; (vi) excavate fill from any lakes or waterways within and/or contiguous to the Properties (including the Club) by dredge or dragline, store fill on the Properties and/or Club and remove and/or sell excess fill; and (vii) grow or store plants and trees within, or contiguous to, the Club and use and/or sell excess plants and trees; and (viii) undertake all activities which, in the sole and unrestricted discretion of Club Owner are necessary for the development and sale of the Club or any lands or improvements therein.

8.10. Default by Another Owner. No default by any Owner in the performance of the covenants and promises contained in this Declaration or by any person using the Properties, Common Area, and/or the Club, or any other act of omission by any of them, shall be construed or considered (a) a breach by Declarant, or Club Owner or the Association or a non-defaulting Owner or other person or entity of any of their promises or covenants in this Declaration; or (b) an actual, implied or construction dispossession of another Owner from the Common Area and/or Club; or (c) an excuse, justification, waiver or indulgence of the covenants and promises contained in this Declaration.

8.11. Over-all Systems. This Declaration allows for the providing of Common Area maintenance, maintenance of the Club, and other matters relating to the Community as a whole. Each Owner shall, if requested by the Declarant and/or Club Owner and/or Association, enter into agreements relating to any of the same.

8.12. Preserve Areas. Maintenance of the preserve areas designated on the Plat shall be the perpetual responsibility of the Association and may in no way be altered from their natural state. The following activities are prohibited within the preserve areas: (a) construction or placing of buildings on or about the ground; (b) dumping or placing soil or other substances such as trash in the preserve area; (c) removal or destruction of trees, shrubs or other vegetation, except for removal of exotic vegetation; (d) excavation, dredging, or removal of soil material; (e) diking or fencing; (f) activities detrimental to drainage, flood control, water conservation erosion control or fish and wildlife habitat conservation or preservation; and (g) any other activity which in the reasonable judgment of the Association and/or Declarant would diminish or destroy the natural state of the

preserve areas or cause the use of the preserve area to not be in accord with applicable governmental regulations.

8.13. Water Mains. In the event the Gateway Services District must remove, or requires the Association and/or any Owner to remove, any portion of a driveway which is constructed of concrete and on the Common Area, then the Association will be responsible to replace or repair the driveway at the Association's expense.

8.14. Conveyance. Within sixty (60) days after the Community Completion Date, or earlier as determined by Declarant in its sole discretion, all or portions of the Common Area may be dedicated or conveyed by Plat, or by written instrument recorded in the Public Records, or by Quit Claim Deed from Declarant to the Association. The dedication or conveyance shall be subject to easements, restrictions, reservations, conditions, limitations and declarations of record, real estate taxes for the year of conveyance, zoning, land use regulations and survey matters. The Association shall be deemed to have assumed and agreed to pay all continuing obligations and service and similar contracts relating to the ownership, operation, maintenance and administration of the dedicated or conveyed portions of Common Area and other obligations relating to the Common Area imposed herein. The Association shall, and does hereby, indemnify and hold Declarant harmless on account thereof. The Association shall be obligated to accept such dedication(s) or conveyance(s) without setoff, condition, or qualification of any nature. The Common Area, personal property and equipment thereon and appurtenances thereto shall be dedicated or conveyed in "as is, where is" condition WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF THE COMMON AREA BEING CONVEYED. The Association shall pay all costs associated with the dedication or conveyance(s).

8.15. Designation of Operating Entity. The Declarant shall have the right, but not the obligation, in its sole discretion, to: (i) designate the Association to operate, at the expense of the Association, portions of the Properties prior to, or in the absence of, dedication or conveyance; and (ii) relinquish and/or assign to the Association some or all of the rights reserved to Declarant herein. The Association shall be obligated to accept such designation and assignments and fulfill the obligations relating thereto.

8.16. Disputes as to Use. If there is any dispute as to whether the use of any portion of the Properties complies with this Declaration, or the allocation of Operating Costs relating thereto, such dispute shall, prior to the Community Completion Date, be decided by Declarant, and thereafter by the Association. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

8.17. Other Property. The Declarant and/or Association may enter into easement agreements or other use or possessory agreements whereby the Owners and/or Association and/or others may obtain the use, possession of, or other rights regarding certain property, on an exclusive

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or non-exclusive basis, for certain specified purposes. The Association may agree to maintain and pay the taxes, insurance, administration, upkeep, repair, replacement or maintenance of such property, the expenses of which shall be Operating Costs. Any such agreement by the Association prior to the Community Completion Date, shall require the prior consent of Declarant.

8.18. Indemnification. The Association and Owners each covenant and agree, jointly and severally, to indemnify, defend and hold harmless Declarant and Club Owner, their respective officers, directors, shareholders, and any related persons or corporations, and their employees from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life, or damage to property, sustained on or about the Common Area, the Club or other property serving the Association or Owners, and improvements thereon, or resulting from or arising out of activities or operations of the Association or Owners, and from and against all costs, expenses, court costs, counsel fees (including, but not limited to, all trial and appellate levels and whether or not suit be instituted), expenses and liabilities incurred or arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders, judgments or decrees which may be entered relating thereto. The costs and expense of fulfilling this covenant of indemnification shall be Operating Costs to the extent such matters are not covered by insurance maintained by the Association.

9. Maintenance by Association.

9.1. Common Area. Except as otherwise specifically provided in this Declaration to the contrary, the Association shall at all times maintain, repair, replace and insure the Common Area, including all improvements placed thereon.

9.2. Homesites. Except as otherwise provided in this Declaration, each Homesite and all improvements thereon and appurtenances thereto, shall be maintained in first class condition by the Owner thereof, in accordance with the requirements of this Declaration, Community Standards, and the Rules and Regulations promulgated from time to time.

9.3. Adjoining Areas. Each Owner shall maintain the drives and pavement which adjoin his or her Homesite. Owners of Homes other than Villas shall also maintain those drainage areas, swales, lake maintenance easements, and landscape areas which adjoin their Homesites. The Association shall maintain those drainage areas, swales, lake maintenance easements, and landscape areas which adjoin Homesites upon which a Villa is located.

9.4. Negligence. Notwithstanding anything to the contrary contained in this Declaration, the expense of any maintenance, repair or construction of any portion of the Common Area, Club, or portions of the Homesite being maintained by the Association, if any, necessitated by the negligent or willful acts of an Owner, or persons utilizing the Common Area, Club or portions of the Homesite being maintained by the Association, if any, by, through or under Owner, shall be

borne solely by such Owner and the Homesite owned by that Owner shall be subject to a Special Assessment for that expense.

9.5. Right of Entry. Declarant, Club Owner, and Association are granted a perpetual and irrevocable easement over the Properties for the purposes herein expressed, including the right to inspect (including inspection to ascertain compliance with the provisions of this Declaration) or to perform any maintenance, alteration or repair which it is entitled to perform.

9.6. Additional Maintenance. Association shall, if designated by Declarant by notice to the Association, maintain vegetation, landscaping, sprinkler system, community identification or features and/or other area or elements designated by Declarant upon areas which are not within the Properties but abut, or are proximate to, the same and are owned by, or dedicated to, others including, but not limited to, a utility, governmental or quasi-governmental entity, so as to enhance the appearance of the Properties or Community. These areas may include (for example and not limitation) swale areas or median areas within the right-of-way of public streets, roads, drainage areas, community identification or features, community signage or other identification and/or areas within canal rights-of-ways or other abutting waterways.

9.7. Restrictions. The Properties may be subject to governmental and other restrictions or requirements. There may be various rights granted to and responsibilities imposed upon Association and/or Owners, arising from those governmental restrictions or requirements arising out of restrictions, reservations, easements and limitations of record otherwise affecting the Properties. The Association and Owners shall comply with, and discharge their respective duties relating thereto.

9.8. Exterior Maintenance of Villas. The Association may maintain the landscaping and sprinkler systems in the front, side and rear yards of each Homesite upon which a Villa is located. Such areas shall be made readily accessible to the Association by each Owner. The Association shall be the sole judge of the time and frequency of landscaping maintenance and of the use, maintenance and repair of the sprinkler system. The Association shall not be obligated to maintain any additional landscaping planted by the Owner, but may, in its sole discretion, choose to do so.

10. Master Declaration. The Association and/or Owners, as the case may be, shall comply with the provisions of the Master Declaration, if applicable.

11. Use Restrictions. Each Owner and its tenants and the members of their respective families, invitees, servants, occupants and guests and other persons or entities shall observe, and comply with, all Rules and Regulations which now or may hereafter be promulgated, from time to time, for the use, care, safety and cleanliness of the Properties, for the preservation of good order therein, and for the comfort, quiet and convenience of all users of the Properties. The Rules and Regulations as promulgated, from time to time, shall be effective from the date of adoption. Neither the Declarant nor Club Owner nor Association shall be bound by the Rules and Regulations or liable to any Owner

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due to any violation of the Rules and Regulations as promulgated, from time to time. The Rules and Regulations promulgated from time to time shall be specifically enforceable by injunction or otherwise, and shall have the effect of covenants as if set forth herein verbatim. The Association may impose a fine against the Owner for failure to comply with the Rules and Regulations.

12. **Insurance.** Association shall maintain, unless it is reasonably determined that such insurance is unavailable or cost prohibitive, the following insurance coverages:

12.1. **Flood Insurance.** If the Common Area is located within an area which has special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program (NFIP), coverage in appropriate amounts, available under NFIP for all buildings and other insurable property within any portion of the Common Area located within a designated flood hazard area.

12.2. **Liability Insurance.** Commercial general liability insurance coverage, providing coverage and limits deemed appropriate. Such policies must provide that they may not be canceled or substantially modified by any party, without at least thirty (30) days' prior written notice to Declarant (until the Community Completion Date), Club Owner and Association.

12.3. **Other Insurance.** Such other insurance coverages as it deems appropriate from time to time. All coverages obtained by the Association shall cover all activities of the Association and all Common Area properties maintained by the Association, whether or not the Association owns title thereto.

12.4. **Homes.** Each Owner shall maintain adequate insurance to provide sufficient proceeds to rebuild its Home and related improvements in the event of casualty. The Home shall be rebuilt promptly after casualty. Proof of such insurance shall be provided to the Association upon request.

12.5. **Fidelity Bonds.** If available, a blanket fidelity bond for all officers, directors, trustees and employees of the Association, and all other persons handling or responsible for funds of, or administered by, the Association. In the event the Association delegates some or all of the responsibility for the handling of the funds to a professional management company or licensed manager, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of the Association. The amount and terms of the fidelity bond shall be based upon reasonable business judgment.

12.6. **Association as Agent.** The Association is irrevocably appointed agent for each Owner relating to the Common Area to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

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12.7. Responsibility. In the event of damage to the Common Area, or any portion thereof, the Association shall be responsible for reconstruction after casualty. In the event of damage to a Homesite, or any portion thereof, the Owner shall be responsible for reconstruction after casualty. In the event of damage to the Club, the responsibility for reconstruction shall be as provided in the Club Covenants.

12.8. Nature of Reconstruction. Any reconstruction of improvements hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform with the then current governmental regulation(s) and, prior to the Community Completion Date, as deemed appropriate by Declarant in its sole discretion.

12.9. Additional Insured. Declarant, Club Owner and their respective Lender(s) shall be named as additional insured on all policies obtained by the Association, as their interests may appear.

12.10. Cost of Payment of Premiums. The costs of all insurance maintained by the Association hereunder, and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof are part of the Operating Costs.

13. Property Rights.

13.1. Owners' Easement of Enjoyment. Every Owner, and its immediate family, tenants, guests and invitees, and every owner of an interest in the Properties shall have a non-exclusive right and easement of enjoyment in and to those portions of the Common Area which it is entitled to use for their intended purpose, **subject to** the following provisions:

13.1.1. The right of Declarant to restrict the use of certain portions of the Common Area to the Owners of certain Homesites as Exclusive Common Area.

13.1.2. Easements, restrictions, reservations, conditions, limitations and declarations of record, now or hereafter existing, and the provisions of this Declaration, as amended.

13.1.3. The right of Association to suspend an Owner's rights hereunder or to impose fines in accordance with Section 617.305, Florida Statutes, as amended from time to time.

13.1.4. The right of Declarant and/or Association to dedicate or transfer all or any part of the Common Area and the right of Club Owner to dedicate or transfer all or any part of the Club to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed. No such dedication or transfer shall be effective prior to the Community Completion Date without prior written consent of Declarant and, at any time, as concerns the Club, without prior written consent of the Club Owner.

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13.1.5. The right of Declarant and/or Association to modify the Common Area as set forth in this Declaration. The right of Club Owner to modify the Club as set forth in the Club Covenants.

13.1.6. The rights of Declarant and/or Association and/or Club Owner regarding the Properties, as reserved in this Declaration, including the right to utilize the same and to grant use rights, etc. to others.

13.1.7. Rules and Regulations adopted governing use and enjoyment of the Common Area and/or Club.

13.1.8. The rights of the Club Owner under the Club Covenants.

13.2. Ingress and Egress. An easement for ingress and egress is hereby created for pedestrian traffic over, and through and across sidewalks, paths, walks, driveways, passageways and lanes as the same, from time to time, may exist upon, or be designed as a part of, the Common Area, and for vehicular traffic over, through and across such portions of the Common Area as, from time to time, may be paved and intended for such purposes. The use of the ingress and egress easements shall be subject to such restrictions as to usage and Rules and Regulations as promulgated, from time to time, by the Declarant and/or Association. Specific and/or additional easements may also be created, from time to time, by Declarant and/or Association, in accordance with the provisions hereof. The Club Owner shall also have the right to create easements, etc. over, through and across the Club as it deems appropriate in its sole discretion.

13.3. Of Record. The Properties are subject to easements, reservations, restrictions, conditions, declarations and limitations of record, now or hereafter created. In the event Declarant or Club Owner, or their nominees, or an entity affiliated with either of them, files, or joins in, additional matters of record, relating to all or a portion of the Community which affect the Properties, or the Club then the Properties or the Club shall be subject to the terms thereof as if they were recorded prior to the recording of this Declaration.

13.4. Development Easement. In addition to the rights reserved elsewhere herein, Declarant reserves an easement for itself or its nominees and creates an easement in favor of the Club Owner and such other parties over, upon, across, and under the Properties as may be required in connection with the development of the Community, Properties, Club, and other lands designated by Declarant and to promote or otherwise facilitate the development, construction and sale and/or leasing of Homesites and Homes, the Club, and other lands designated by Declarant.

13.5. Delegation of Use. Every Owner shall be deemed to have delegated its right of enjoyment to the Common Area and Club to occupants or lessees of that Owner's Home subject to the provisions of this Declaration and the Rules and Regulations, as may be promulgated, from time to time. A copy of the lease or occupancy agreement shall be provided to the Association and/or

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Club Manager. Any such delegation or lease shall not relieve any Owner from its responsibilities and obligations provided herein.

13.6. Easement for Encroachments. In the event that any improvement upon Common Area, Club or Homesite, as originally constructed, shall encroach upon any other property or improvements thereon, or for any reason, then an easement appurtenant to the encroachment shall exist for so long as the encroachment shall naturally exist.

13.7. Permits, Licenses and Easements. Prior to the Community Completion Date, Declarant, and thereafter the Association, shall, in addition to the specific rights reserved to Declarant herein, have the right to grant, modify, amend and terminate permits, licenses and easements over, upon, across, under and through the Properties (including Homesites and/or Homes) for cable t.v., security systems, utilities, roads, and other purposes reasonably necessary or useful as it determines, in its sole discretion. To the extent legally required, each Owner shall be deemed to have granted to Declarant, and thereafter, the Association an irrevocable power of attorney, coupled with an interest, for the purposes herein expressed. The Club Owner shall also have the right to create such grants, easements, etc. over the Club.

13.8. Support Easement and Maintenance Easement. An easement is hereby created for the existence and maintenance of supporting structures (and the replacement thereof) in favor of the entity required to maintain the same. An easement is hereby created for maintenance purposes (including access to perform such maintenance) over and across the Properties (including Homesites, Homes and the Club) for the reasonable and necessary maintenance of Common Area, the Club, utilities, cables, wires and other similar facilities.

13.9. Drainage. A nonexclusive easement shall exist in favor of Declarant, Club Owner, the Association, and their designees, and the water management district having jurisdiction over the Properties over, across and upon the Properties for drainage and water management purposes. An easement for ingress, egress and access shall exist for such parties to enter upon and over any portion of the Properties (including Homesites and Homes) in order to construct, maintain or repair, as necessary, any water management areas and facilities thereon and appurtenances thereto. No structure, landscaping, or other material shall be placed or be permitted to remain which may damage or interfere with the drainage of the Properties and/or installation or maintenance of utilities or which may obstruct or retard the flow of water through the Properties and/or water management areas and facilities or otherwise interfere with any drainage and/or easement provided for in this Section or the use rights set forth elsewhere in this Declaration.

13.10. Club Easements. A non-exclusive easement shall exist in favor of the Club Owner and its respective designees, invitees, etc. over and upon the Common Area and portions of the Properties necessary for ingress, egress, access to, construction, maintenance and/or repair of the Club.

13.11. Lake and Canal Maintenance Easement. There is a lake and canal maintenance easement around the lakes and canal(s) which is not part of the Common Area. Said easement is contiguous to the rear yard of those Homesites bordering on the lakes and canals. It is the responsibility of each Owner whose Homesite borders on the lakes or canals to maintain that portion of the lake and canal maintenance easement contiguous to the rear lot line of said Homesite. Notwithstanding the foregoing, an Owner of a Villa shall not be required to maintain that portion of the lake and canal maintenance easement contiguous to the rear lot line of his or her Homesite. The Association shall be responsible for maintaining such maintenance easements.

13.12. Duration. All easements created herein or pursuant to the provisions hereof shall be perpetual unless stated to the contrary.

13.13. Maintenance Easement. An easement is hereby created for the maintenance, repair and replacement, including access to perform such maintenance, repair and replacement over and across the Properties, including Homesites, Homes and the Club, for the reasonable and necessary maintenance of Common Areas and of those elements of the Villa which require maintenance, repair and replacement, including, but not limited to, landscaping, sprinkler systems, Club facilities, utilities, cables, wires, and other similar facilities.

13.14. Shared Components.

13.14.1. Each wall or fence, or portion thereof which is utilized in common, and common entry stair and landing built as part of the original construction of Villas on the Homesites within the Properties and placed on the dividing line between the Homesites or solely within one Homesite and acting as a commonly shared wall, fence or common entry stair and landing shall constitute a shared component. Each Owner shall own that portion of the wall, fence and common entry stair and landing which stands on his or her Homesite, with a cross easement of support in the other portion, and a cross easement for use, enjoyment, access and maintenance thereof.

13.14.2. Easements are hereby created and/or reserved in favor of all Homesites over all other Homesites and the Common Area for overhangs or other encroachments resulting from original construction and reconstruction.

13.14.3. The costs of reasonable repair, replacement and maintenance of a shared component shall be shared equally by the Owners who make use of the shared component.

13.14.4. Notwithstanding any other provision of this Section, any Owner who, by his or her negligent or willful act, causes damage to the shared component shall bear the cost of repair and replacement.

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The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owners' successors in title. Upon conveyance or other transfer of title, the liability of the prior Owner shall cease.

13.14.5. In the event of any dispute arising concerning a shared component, or under the provisions of this Section, each party shall choose one arbiter, and such arbiters shall choose one additional arbiter, and the decision of a majority of all the arbiters shall be final and conclusive of the question involved. If a panel cannot be designated pursuant hereto, the matter shall be arbitrated pursuant to the rules of the American Arbitration Association, or its successors in function. Any decision made pursuant to this Section shall be conclusive and may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code.

14. Assessments.

14.1. Types of Assessments. In addition to the obligations of Owners set forth elsewhere in this Declaration, there are several types of Assessments for which Owners are liable, as follows:

14.1.1. Assessments for all Operating Costs.

14.1.2. The Association may levy additional Assessments for any reasonable purpose, including, without limitation, expenditures for capital improvements for or on Common Area or for reconstructing or replacing such improvements. Until the Community Completion Date, Assessments for capital improvements shall require the prior written consent of the Declarant. Assessments pursuant to this Section shall be payable in such manner and at such times as determined by the Association, and may be payable in installments extending beyond the fiscal year in which the Assessment is approved.

14.1.3. Assessments for which one or more Owners (but less than all Owners) are subject, such as, costs of special services provided to a Homesite or Owner or cost relating to enforcement of the provisions of this Declaration or the architectural provisions hereof as it relates to a particular Owner or Homesite.

14.2. Designation. The designation of Assessment type shall be made by the Association and shall be binding upon all Owners. Prior to the Community Completion Date, any such designation must be approved by Declarant. Such designation may be made on the budgets prepared by the Association.

14.3. Allocation of Operating Costs.

14.3.1 For the period until the adoption of the first annual budget, the allocation of Operating Costs shall be as set forth in the initial budget.

14.3.2 Commencing on the first day of the period covered by an annual budget, and until the adoption of the next annual budget, the Operating Costs shall be allocated so that each Owner shall pay its pro-rata portion based upon a fraction, the numerator of which is one (1) and the denominator is three hundred twenty-nine (329) provided, however that the Declarant reserves the right to have the denominator be the number of Homes in the Properties conveyed to Owners as of the immediately preceding October 31st. If such election is made, the Declarant shall notify the Association and the Association and Owners shall be bound thereby.

14.3.3 In the event the Operating Costs estimate for the year is, after the actual Operating Costs for that period is known, more or less than the actual costs, then the difference shall, at the election of the Association: (i) be added or subtracted, as the case may be, to the calculation for the next ensuing year; or (ii) be immediately refunded to, or collected from, the Owners.

The Association shall have the unequivocal right to collect retroactively any cost which Assessment shall relate back to the date that the Assessment could have been made.

14.3.4. Each Owner agrees that so long as it does not pay more than the required amount that Owner shall have no grounds upon which to object to either the method of payment or non-payment by other Owners of any sums due.

14.4. General Assessments Allocation. Except as hereinafter specified to the contrary, Assessments shall be allocated equally to each Owner.

14.5. Special Assessments Allocation. Except as hereinafter specified to the contrary, Special Assessments shall be made against the Owners benefitting from, or subject to, the special service or cost as specified by the Association.

14.6. Commencement of First Assessment. Assessments shall commence, as to each Owner, on the day of the conveyance of title of a Homesite to an Owner. The Assessments in effect at that time shall be adjusted according to the number of months remaining in the Assessment period after such date.

14.7. Initial Budgets. The initial budget prepared by Declarant is adopted as the Association budget for the period of operation until adoption of the first annual Association Budget. Thereafter, annual budgets shall be prepared and adopted by the Association.

14.8. Establishment of Assessments. Assessments shall be established in accordance with the following procedures:

14.8.1 Assessments shall be established by the adoption of a projected annual operating budget. Written notice of the amount of, and date of commencement thereof, shall be given to each Owner not less than ten (10) days in advance of the due date of the first installment

thereof. Assessments shall be payable monthly or at such other less frequent times as determined by the Association, not less often than quarterly.

14.8.2 Special Assessments against the Owners and all other fees, dues and charges, may be established by the Association, from time to time, as shall be payable at such time or time(s) as the Association may determine.

14.8.3 Association may establish, from time to time, by resolution, rule or regulation, or by delegation to an officer or agent, including a management firm, the power and authority to establish specific fees, dues or charges to be paid by Owners for any special services provided to, or for the benefit of an Owner or Homesite, for any special or personal use of the Common Area, or to reimburse the Association for the expenses incurred in connection with that service or use. The sums established shall be payable by the Owner utilizing the service or facility as determined by the Association.

14.8.4 The budget may, at the election of the Association, establish and maintain a reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area and/or the Villas as provided for in this Declaration.

14.8.5 The Association may, but is not obligated to, establish a working capital fund for the operation of the Association. Each Owner shall pay an amount equal to the sums determined to be then due from the Owner. The purpose of this fund is to assure that the Association will have cash available to meet its obligations, unforeseen expenditures, or to acquire additional property, equipment or services deemed necessary or desirable. Amounts paid into the fund are not to be considered as advance payments of regular Assessments.

14.8.6 Association shall prepare and maintain a ledger noting Assessments due from each Owner. The ledger shall be kept in the office of the Association, or its designees, and shall be open to inspection by any Owner or Lender. Upon demand, there shall be furnished to an Owner a certificate in writing setting forth whether the Assessments owed by that Owner have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated.

14.8.7 Each Owner waives its rights (if any) to an accounting related to Operating Costs or Assessments.

14.9. Payment of Assessments. Each Owner, by acceptance of title to a Homesite, shall be deemed to have covenanted and agreed to pay the following dues, fees, charges and Assessments:

14.9.1 General Assessments;

14.9.2 Assessments for capital improvements, emergencies, and/or non-recurring expenses;

14.9.3 Assessments of any kind for the creation of reasonable reserves or working capital;

14.9.4 Special Assessments and charges for special services;

14.9.5 Assessments and charges incurred in connection with the enforcement of any of the terms and conditions hereof, including reasonable attorney fees and costs;

Each Owner shall pay all taxes and obligations relating to its Homesite which, if not paid, could become a lien against the Homesite which is superior to the lien for Assessments created by this Declaration.

14.10. Creation of the Lien and Personal Obligation. Each Owner, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Homesite, shall be deemed to have covenanted and agreed that the Assessments, and/or other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorneys' (and paralegals') fees (at all levels of proceedings, collection and bankruptcy), shall be a charge and continuing lien in favor of the Association encumbering the Homesite and all personal property located thereon owned by the Owner against whom each such Assessment is made. The lien is effective from and after recording a Claim of Lien in the Public Records, stating the description of the Homesite, name of the Owner, and the amounts due as of that date. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. Each Assessment, charge, fee, together with interest, late fees, costs and reasonable attorneys' fees, etc. shall be the personal obligation of the person who was the Owner of the Homesite at the time when the Assessment became due, as well as that persons heirs, devisees, personal representatives, successors or assigns.

14.11. Subordination of the Lien to Mortgages. The lien for Assessments shall be subordinate to bona fide first mortgages on any Homesite, if the mortgage is recorded in the Public Records prior to the Claim of Lien, and to Club Charges. The lien for Assessments shall not be affected by any sale or transfer of a Homesite, except in the event of a sale or transfer of a Homesite pursuant to a foreclosure of a bona fide first mortgage, or a lien for Club Charges, in which event, the acquirer of title, its successors and assigns, shall not be liable for Assessments encumbering the Homesite or chargeable to the former Owner of the Homesite which became due prior to such sale or transfer. However, any such unpaid Assessments for which such acquirer of title is not liable may be reallocated and assessed to all Owners (including such acquirer of title) as part of the Operating Costs. Any sale or transfer pursuant to a foreclosure shall not relieve the Owner from liability for, nor the Homesite from the lien of, any Assessments made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent Assessments from the payment thereof, or the enforcement of collection by means other than foreclosure.

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14.12. Acceleration. In the event of a default in the payment of any Assessment, the Association may accelerate the Assessments against that Owner for up to the next ensuing twelve (12) month period.

14.13. Non-Payment of Assessments. If any Assessment is not paid within fifteen (15) days (or such other period of time established by the Board) after the due date, a late fee of \$25.00, per month (or such greater amount established by the Board), together with interest in an amount equal to the maximum rate allowable by law (or such lesser rate established by the Board), per annum, beginning from the due date until paid in full, may be levied. The Association may, at any time thereafter, bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Homesite, or both. The Association shall not be required to bring such an action if it believes that the best interests of the Association would not be served by doing so. There shall be added to the Assessment all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorneys' (and paralegals') fees, at all levels of proceedings, including collection and bankruptcy. No Owner may waive or otherwise escape liability for Assessments provided for herein by non-use of, or the waiver of the right to use, the Common Area, Club or abandonment of a Homesite.

14.14. Exemption. Notwithstanding anything to the contrary herein, neither Declarant nor Club Owner or any Homesite or property owned by Declarant or Club Owner shall (unless specified to the contrary by Declarant or Club Owner in a separate written instrument) be responsible for any Assessments of any nature or any portion of the Operating Costs.

14.15. Collection by Declarant. If for any reason the Association shall fail or be unable to levy or collect Assessments, then in that event, Declarant or Club Owner, as the case may be, shall at all times have the right, but not the obligation: (i) to advance such sums as a loan to the Association to bear interest and to be repaid as hereinafter set forth; and/or (ii) to levy and collect such Assessments by using the remedies available as set forth above, which remedies, including, but not limited to, recovery of attorneys', and paralegals', fees at all levels including appeals, collections and bankruptcy, shall be deemed assigned to Declarant and/or Club Owner, for such purposes.

14.16. Rights to Pay Assessments and Receive Reimbursement. Association, Declarant, Club Owner and any mortgagee of a Homesite shall have the right, but not the obligation, jointly and severally, and at their sole option, to pay any Assessments or other charges which are in default and which may or have become a lien or charge against any Homesite. If so paid, the party paying the same shall be subrogated to the enforcement rights of the Association with regard to the amounts due. Further, Declarant and/or Club Owner shall have the right, but not the obligation, at its sole option, to loan funds to the Association and pay items of Operating Costs on behalf of the Association. The entity advancing such sums shall be entitled to immediate reimbursement, on demand, from the Association for such amounts to be paid, plus interest thereon at the W.S.J. Prime Rate determined as of the date such payment was due from Owner, plus 2%, plus any costs of

collection including, but not limited to, reasonable attorneys' (and paralegals') fees at all levels including appeals, collections and bankruptcy.

14.17. **Club Charges.** As provided in the Club Covenants, Club Owner shall have the right, at its sole option, to require that Association enforce Club Owner's lien to collect Club Charges.

15. **Information to Lenders and Owners.**

15.1. **Availability.** There shall be available for inspection upon request, during normal business hours or under other reasonable circumstances, to any Owner and/or Lender current copies of this Declaration, the Articles and By-Laws, Community Standards, if any, and Rules and Regulations.

15.2. **Copying.** Any Owner and/or Lender shall be entitled, upon written request, and at its cost, to a copy of the documents referred to above.

15.3. **Notice.** Upon written request by a Lender (identifying the name and address of the Lender and the name and address of the applicable Owner), the Lender will be entitled to timely written notice of:

15.3.1 Any condemnation loss or casualty loss which affects a material portion of a Homesite, to the extent Association is notified of the same;

15.3.2 Any delinquency in the payment of Assessments or Club Charges owed by an Owner of a Homesite subject to a first mortgage held by the Lender, which remains uncured for a period of sixty (60) days;

15.3.3 Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained hereunder;

15.3.4 Any proposed action (if any) which would require the consent of a specific mortgage holder.

16. **Architectural Control.**

16.1. **Architectural Review and Approval.** It is the intent of this Declaration to create a general plan and scheme of development of the Properties of high quality. Accordingly, the A.C.C. shall have the right to approve or disapprove all architectural, landscaping and location of any proposed improvements within the Properties by Owners other than Declarant or Club Owner or their respective nominees. The A.C.C. shall have the right to evaluate all plans and specifications as to harmony of exterior design, landscaping, and location of any proposed improvements, relationship to surrounding structures and topography and as to conformity with such other

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reasonable requirements as shall be adopted by A.C.C. The A.C.C. may, in the sole discretion impose standards for construction and development which may be greater or more stringent than standards prescribed by applicable building, zoning, or other local governmental codes. Prior to the Community Completion Date, any additional standards or modification of existing standards shall require the consent of Declarant, which may be granted or denied in its sole discretion.

16.2. Master Plan. Declarant has platted the Properties and established an overall Master Plan. However, notwithstanding the above, or any other document, brochures or plans, the Declarant reserves the right to modify the Plat, Master Plan or any site plan, at any time, as it deems desirable, in its sole discretion and in accordance with applicable laws and ordinances.

16.3. Community Standards. Each Owner and its contractors and employees shall observe, and comply with, the Community Standards which now or may hereafter be promulgated from time to time. The Community Standards as promulgated, from time to time, shall be effective from the date of adoption. The Community Standards as promulgated from time to time shall be specifically enforceable by injunction or otherwise, and shall have the effect of covenants as if set forth herein verbatim.

16.4. Architectural Control Committee. The A.C.C. shall be a permanent committee of the Association and shall administer and perform the architectural and landscape review and control functions relating to the Community. The A.C.C. shall consist of a minimum of three (3) members who shall initially be named by the Declarant and who shall hold office at the pleasure of the Declarant. Until the Community Completion Date, the Declarant shall have the right to change the number of members on the A.C.C., and to appoint, remove and replace all members of the A.C.C. The Declarant shall determine which members of the A.C.C. shall serve as its chairman and co-chairman. In the event of the failure, refusal or inability to act of any of the members appointed by the Declarant, the Declarant shall have the right to replace any member within thirty (30) days of such occurrence. If the Declarant fails to replace that member, the remaining members of the A.C.C. shall fill the vacancy by appointment. At the Community Completion Date, or at such earlier date as Declarant, in its sole discretion may elect, the Declarant shall assign such rights to the Association.

16.5. Membership. There is no requirement that any member of the A.C.C. be a member of either the Association or an Owner.

16.6. Quorum. A majority of the A.C.C. shall constitute a quorum to transact business at any meeting. The action of a majority present at a meeting at which a quorum is present shall constitute the action of the A.C.C. In lieu of a meeting, the A.C.C. may act in writing.

16.7. Powers and Duties of the A.C.C. No material improvements or change in color or landscaping which is visible from the exterior of a Home shall be constructed, erected, removed, planted or maintained, nor shall any material addition to or any change, replacement or alteration

of the improvements constructed by Declarant which is visible from the exterior of the Home be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme and the location of same shall have been submitted to and approved in writing by the A.C.C.

16.8. Procedure. Each Owner shall, in applying for the approval of the A.C.C. follow the following procedures:

16.8.1. Each applicant shall submit an application to the A.C.C. with respect to any proposed improvement or material change in an improvement, together with the required application(s) and fee(s) as established by the A.C.C. The application shall include such information as may be required by the application form adopted by the A.C.C. The A.C.C. 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 A.C.C., such site plans, plans and specifications for the proposed improvement, prepared and stamped by a registered Florida architect or residential designer, and landscaping and irrigation plans, prepared by a registered landscape architect or designer showing all existing trees and major vegetation stands and a surface water drainage plan showing existing and proposed design grades, contours relating to the pre-determined ground floor finish elevation, pool plans and specifications, and a time schedule for completion, all as reasonably specified by the A.C.C.

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

16.8.3. No later than thirty (30) business days after receipt of all information required by the A.C.C. for final review, the A.C.C. shall approve or deny the application in writing. The A.C.C. shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the A.C.C.'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 A.C.C. shall consider the suitability and aesthetics of the proposed improvements, the materials of which the improvements are to be built, the site 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 A.C.C. fails to respond within said thirty (30) day period, the plans and specifications shall be deemed approved by the A.C.C.

16.8.4. Construction of all improvements shall be completed within the time period set forth in the application and approved by the A.C.C.

16.8.5. In the event that the A.C.C. disapproves any plans and specifications, the applicant may request a rehearing by the A.C.C. to re-review 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 A.C.C., unless applicant waives this time requirement in writing. The A.C.C. shall make a final written decision no later than thirty (30) days after such meeting. In the event the A.C.C. fails to provide such written decision within said thirty (30) days, the plans and specifications shall be deemed approved.

16.8.6. Upon continued disapproval, and unless the members of the Board and A.C.C. are the same, the applicant may appeal the decision of the A.C.C. to the Board within thirty (30) days of the A.C.C.'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 applicant'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 A.C.C., or if appealed, the Board, shall be final and binding upon the applicant, its heirs, legal representatives, successors and assigns.

16.9. 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 A.C.C. shall be subject to the approval of the A.C.C. in the same manner as required for approval of original plans and specifications.

16.10. Variances. The Association or A.C.C. shall have the power to grant variances from any requirements set forth in this Declaration or from the Community Standards, 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 Community Standards on any other occasion.

16.11. Permits. In connection with any approved improvements, the Owner is solely responsible to obtain all required building and other permits from all governmental authorities having jurisdiction.

16.12. Drainage. Notwithstanding anything contained herein to the contrary, no change shall negatively affect drainage or drainage facilities serving either the Homesite or the Community, without the proper remediation as required by the A.C.C.

16.13. Solar Devices. To the fullest extent permitted by law, the A.C.C. shall have the right to regulate the design, aesthetics, placement, and method of affixing solar collectors or other energy devices based upon renewable resources. These rights are reserved to the A.C.C. for the health, safety and welfare of not only the Owner desiring to install such collectors or devices, but for the protection of all Owners in the Community. It is not the intent of this Section to prohibit or have the effect of prohibiting such collectors or devices.

16.14. Construction by Owners. The following provisions govern construction activities after consent of the A.C.C. has been obtained:

16.14.1. Each Owner shall deliver to the A.C.C. copies of all construction and building permits as and when received by the Owner. Each construction site in the Community shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed on a diligent, workmanlike and continuous basis. Roadways, easements, swales, common areas and other such areas in the Community shall be kept clear of construction vehicles, construction materials and debris at all times. No construction office or trailer shall be kept in the Community and no construction materials shall be stored in the Community, subject, however, to such conditions and requirements as may be promulgated by the A.C.C. 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 Homesites in the Community or be placed anywhere outside of the Homesite 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 such additional rules and regulations relating to the construction site as promulgated by the A.C.C. from time to time.

16.14.2. There shall be provided to the A.C.C., a list, (name, address, telephone number and identity of contact person), of all contractors, subcontractors, materialmen, and suppliers and the employees of each of them (collectively, "contractors") and changes to the list as they occur relating to the construction. Each contractor shall utilize those roadways and entrances into the Community as are designated by the A.C.C. for construction activities. The A.C.C. shall have the right to require that each contractor's check in at the designated construction entrances and to refuse entrance to persons and parties whose names are not registered with the A.C.C.

16.14.3. Each Owner is responsible for insuring compliance with all terms and conditions of these provisions and of the Community Standards by all of its employees and contractors. In the event of any violation of any such terms or conditions by any contractor, or, in the opinion of the A.C.C., the continued refusal of any contractor to comply with such terms and conditions, after five days notice and right to cure, the A.C.C. shall have, in addition to the other rights hereunder, the right to prohibit the violating contractor from performing any further services in the Community.

16.14.4. The A.C.C. may, from time to time, adopt standards governing the performance or conduct of owners, and contractors within the Community. Each Owner and contractor shall comply with such standards and cause its respective employees to also comply with

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same. The A.C.C. may also promulgate requirements to be inserted in all contracts relating to construction within the Community and, if so, each Owner shall include the same therein.

16.15. Inspection. There is specifically reserved to the Association and A.C.C. and to any agent or member of either of them, the right of entry and inspection upon any portion of the Properties for the purpose of determination whether any violation exists of the terms of any approval or the terms of this Declaration or the Community Standards.

16.16. Violation. If any improvement shall be constructed or altered without prior written approval of the A.C.C., or in a manner which fails to conform with the approval granted, the Owner shall, upon demand of the Association or A.C.C., 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 of removal or restoration, including all costs and attorneys' fees incurred by the Association or A.C.C. The costs and fees shall be deemed a Special Assessment and enforceable pursuant to the provisions of this Declaration. The A.C.C. and/or Association is specifically empowered to enforce the architectural and landscaping provisions of this Declaration and the Community Standards, by any legal or equitable remedy.

16.17. Court Costs. In the event of litigation to determine the propriety of any constructed improvement or to cause the removal of any unapproved improvement, the Association and/or A.C.C. shall be entitled to recover court costs, expenses and attorneys' (and paralegals') fees in connection therewith.

16.18. Certificate. In the event that any Owner fails to comply with the provisions contained herein, the Community Standards, or other rules and regulations promulgated by the A.C.C., the Association and/or A.C.C. may, in addition to all other remedies contained herein, record a Certificate of Non-Compliance against the Homesite stating that the improvements on the Homesite fail to meet the requirements of this Declaration and that the Homesite is subject to further enforcement remedies.

16.19. Fines. In the event of a violation of the provisions contained herein, the Community Standards, or other rules and regulations promulgated by the A.C.C., the Association shall also have the right to levy a fine against the non-complying party of up to \$25.00 per day until the violation is cured. The fine shall be a Special Assessment and enforceable pursuant to the provisions of this Declaration.

16.20. Certificate of Approval. Prior to the occupancy of any improvement constructed or erected on any Homesite by other than Declarant, or its designees, the Owner thereof shall obtain a certificate of approval from the A.C.C., certifying that the construction of the improvement has, without assuming any liability therefore, been completed substantially in accordance with the approved plans and specifications. The A.C.C. may, from time to time, delegate to a member or members of the A.C.C., the responsibility for issuing the certificate of approval.

16.21. Community Standards. The Association may, from time to time, adopt, publish or modify the Community Standards. The Community Standards shall not require any Owner to alter any approved improvements previously constructed. Until the Community Completion Date, the prior consent of Declarant concerning the adoption of, and any changes to, the Community Standards must first be had and obtained, which may be granted in its sole discretion.

16.22. Exemption. Notwithstanding anything to the contrary contained herein, or in the Community Standards, any improvements of any nature made or to be made by the Declarant or Club Owner, or their nominees, including, without limitation, improvements made or to be made to the Common Area, Club or any Homesite, shall not be subject to the review of the A.C.C., the Association, or the provisions of the Community Standards.

16.23. Exculpation. Declarant, the directors or officers of Association, the A.C.C., or members of the A.C.C., 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 the Declarant, Association, A.C.C. 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 Homesite, that it shall not bring any action or suit against the Declarant, the Association or their respective directors or officers, the A.C.C. or the members of the A.C.C., or their respective agents, in order to recover any damages caused by the actions of the Declarant, the Association, or A.C.C. or their respective members, officers, or directors in connection with the provisions of this Section. The Association does hereby indemnify, defend and hold the Declarant, and the A.C.C. and each of their members, officers, or directors harmless from all costs, expenses, and liabilities, including attorneys' fees, of all nature resulting by virtue of the acts of the Owners, Association, A.C.C. or their members, officers and directors. Declarant, the Association or its directors or officers, the A.C.C. or 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.

17. Owners Liability.

17.1. Right to Cure. Should any Owner, or any person, firm or entity claiming by, through, or under and Owner, do any of the following:

17.1.1 Fail to perform its responsibilities as set forth herein or otherwise breach the provisions of this Declaration; or

17.1.2 Cause any damage to any improvement or Common Area or Club; or

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17.1.3 Impede Declarant, Club Owner or Association from exercising its rights or performing its responsibilities hereunder or under the Club Covenants; or

17.1.4 Undertake unauthorized improvements or modifications to a Homesite, the Common Area or the Club; or

17.1.5 Impede Declarant or Club Owner from proceeding with or completing the development of the Community or Club, as the case may be.

Then the Declarant and/or the Association and/or Club Owner, where applicable, after reasonable prior written notice, shall have the right, through its agents and employees, to cure the breach, including, but not limited to, the entering upon the Homesite and/or Home and causing the default to be remedied and/or the required repairs or maintenance to be performed, or as the case may be, remove unauthorized improvements or modifications. The cost thereof, plus reasonable overhead costs and attorneys' fees incurred shall be assessed against the Owner as a Special Assessment or otherwise, as the case may be.

17.2. Non-Monetary Defaults. In the event of a violation other than the nonpayment of any Assessment or other monies, of any of the provisions of this Declaration, Declarant or Association (or if applicable to the Club, the Club Manager) or any other Owner shall notify the party violating such provisions of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, the party entitled to enforce same may, at its option:

17.2.1 Commence an action to enforce the performance or to enjoin the violation or breach or for equitable relief as may be necessary under the circumstances, including injunctive relief, without bond; and/or

17.2.2 Commence an action to recover damages; and/or

17.2.3 Take any and all action reasonably necessary to correct the violation or breach.

All expenses incurred in connection with the violation or breach, or the commencement of any action against any Owner, including reasonable attorneys' (and paralegals') fees at all levels including appeals, bankruptcy and collection, shall be assessed against the Owner, as a Special Assessment or otherwise, and shall be immediately due and payable without further notice.

17.3. No Waiver. The failure to enforce any right, provision, covenant or condition in this Declaration, shall not constitute a waiver of the right to enforce such right, provision, covenant or condition in the future.

17.4. Rights Cumulative. All rights, remedies, and privileges granted to Declarant and/or Club Owner and/or Association and/or the A.C.C. pursuant to any terms, provisions, covenants or conditions of this Declaration, or Community Standards, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude any of them from pursuing such additional remedies, rights or privileges as may be granted or as it might have by law.

17.5. Enforcement By or Against Other Persons. In addition to the foregoing, this Declaration or Community Standards may be enforced by Declarant and/or, where applicable, Club Owner and/or Association by any procedure at law or in equity against any person violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this Declaration or Community Standards shall be borne by the person against whom enforcement is sought, provided such proceeding results in a finding that such person was in violation of this Declaration or the Community Standards.

17.6. Fines. In addition to the fines established herein, and all other remedies provided for in this Declaration, if and to the extent permitted by law, the Association shall have the right to impose additional fines on an Owner for failure of an Owner, or persons, firms or entities claiming by, through or under the Owner, to comply with any provisions of this Declaration, Rules and Regulations, or Community Standards, provided, however, that Association grant reasonable notice and opportunity to be heard. The decisions of Association shall be final. Fines shall be in such reasonable and uniform amounts as Association shall determine and shall be considered a Special Assessment against that Owner and Homesite. Suspensions and fines shall be imposed in the manner provided in Section 617.305 of the Florida Statutes, as amended from time to time. The Board shall have the authority to promulgate additional procedures from time to time.

18. Additional Rights of Declarant.

18.1. Sales and Administrative Office. For so long as the Declarant, or its nominee(s), owns any property in the Community or affected by this Declaration or maintains a sales and/or administrative office, the Declarant, or its nominee(s), shall have the right to take such action reasonably necessary to transact any business necessary to administer its interests, consummate the development of the Community and sales and/or leasing of Homesites and/or Homes and/or other properties owned by Declarant. This right shall include, but not be limited to, the right to maintain models, sales and administrative offices and parking associated therewith, have signs on any portion of the Properties, including Common Area and the Club, employees in the models and offices, use of the Common Area and the Club and to show Homesites. The sales and administrative office and signs and all items pertaining to development, sales and administration remain the property of the Declarant, or its nominees.

18.2. Modification. The development and marketing of the Community will continue as deemed appropriate in Declarant's sole discretion, and nothing in this Declaration or Community Standards, or otherwise, shall be construed to limit, restrict, such development and marketing. It may be necessary or convenient for the development of the Community to, as an example and not a limitation, amend the Plat and/or Master Plan, modify the boundary lines of the Common Area, grant easements, dedications, agreements, licenses, restrictions, reservations, covenants, rights-of-way, and to take such other actions which Declarant, its nominees, or its agents, affiliates, or assignees may deem necessary or appropriate. The Association and Owners shall, at the request of the Declarant, execute and deliver any and all documents and instruments which Declarant deems necessary or convenient, in its sole and absolute discretion, to accomplish the same.

18.3. Promotional Events. Prior to the Community Completion Date, Declarant and its nominees shall have the right, without charge, at any time, to hold marketing and promotional events within the Community and/or on the Common Area and/or the Club, without any charge for use. Declarant or its nominees, agents, affiliates, or assignees shall have the right, to market the Community and Homesites in advertisements and other media by making reference to the Community, including, but not limited to, pictures or drawings of the Community, the Club, Common Area, Homesites and Homes constructed in the Community.

18.4. Use by Prospective Purchasers. Prior to the Community Completion Date, the Declarant and its nominees shall have the right, without charge, to use the Properties and Common Area and the Club for the purpose of entertaining prospective purchasers of Homesites or Homes, portions of the Properties or other properties.

18.5. Franchises. Declarant may grant franchises or concessions to commercial concerns on all or part of the Common Area and shall be entitled to all income derived therefrom. Club Owner may grant franchises or concessions to commercial concerns on all or part of the Club and shall be entitled to all income derived therefrom.

18.6. Easements. Until the Community Completion Date, Declarant reserves the exclusive right to grant, in its sole discretion, easements, permits and/or licenses for ingress and egress, drainage, utilities service, maintenance, security systems, cable t.v., and other purposes over, upon and across the Properties so long as any said easements do not materially and adversely interfere with the intended use of Homesites previously conveyed to Owners. Declarant shall have the sole right to any fees of any nature associated therewith, including, but not limited to, license or similar fees on account thereof. The Association and Owners will, without charge, if requested by Declarant: (a) join in the creation of such easements, etc and cooperate in the operation thereof; and (b) collect and remit fees associated therewith, if any, to the appropriate party. The Association will not grant any easements, permits or licenses to any other entity providing the same services as those granted by Declarant, nor will it grant any such easement, permit or license prior to the Community Completion Date without the prior written consent of Declarant which may be granted or denied in its sole discretion.

Restated Declaration
Silverlakes-Gateway
February 21, 2000

18.7. Right to Enforce. Declarant has the right, but not the obligation, to enforce the provisions of this Declaration and the Community Standards and to recover all costs relating thereto, including attorneys' fees at all levels of proceeding. Such right shall include the right to perform the obligations of the Association and to recover all costs incurred in doing so. Club Owner shall also have such rights relating to the Club and/or Club Charges.

18.8. Additional Development. In the event the Declarant does not subject all proposed real property in the Community to this Declaration, or after submission withdraws portion of the Properties from the operation of this Declaration, the Declarant or its nominees may, but is not delegated to, subject to governmental approvals, create other forms of residential property ownership or other improvements of any nature on the property not subjected to or withdrawn from the operation of this Declaration. The Declarant shall not be liable or responsible to any person or entity on account of its decision to do so or to provide, or fail to provide, the amenities and/or facilities which were originally planned to be included in such areas. If so designated by Declarant, owners or tenants of such other forms of housing or improvements upon their creation, may share in the use of all or some of the Common Area and/or the Club and other facilities and/or roadways which remain subject to this Declaration. The expense of the operation of such facilities shall be allocated to the various users thereof, if at all, as determined by Declarant.

18.9. Representations. Declarant makes no representations concerning development in the Community both within the boundaries of the Properties, including, but not limited to, the number, design, boundaries, configuration and arrangements, prices of all Homesites or Homes or the Club and buildings in all other proposed forms of ownership and/or other improvements on the Properties or in the Community or adjacent or near the Community, including, but not limited to, the size, location, configuration, elevations, design, building materials, height, view, airspace, number of dwellings, number of buildings, location of easements, parking and landscaped areas, services and amenities offered.

18.10. CATV. Declarant reserves unto itself and its nominees, successors, assigns and licensees the right, but not the obligation, to enter into one or more contracts for the exclusive provision of one or more master cable and telecommunications receiving and distribution systems and electronic surveillance systems for all or any part of the Community. Declarant reserves unto itself and its nominees, successors, assigns and licensees a perpetual and exclusive right, privilege, easement and right-of-way across, over and upon the Properties for the installation, construction and maintenance of such systems together with a perpetual and exclusive right, privilege and easement of unlimited ingress and egress, access, over and upon the Properties for installing, constructing, inspecting, maintaining, altering, moving, improving and replacing facilities and equipment constituting such systems. If, and to the extent, services provided by such systems are to serve all of the Homesites, then the cost of the services may, as determined by Declarant, be Operating Costs of the Association and shall be assessed as a part of the Assessments. If any services provided by the system are provided only to some, but not all, of the Homesites, then the cost of any such

Restated Declaration
Silverlakes-Gateway
February 21, 2000

services shall be an expense for the benefit of the respective Homesite to be assessed as a Special Assessment, or a direct charge by the provider, as the case may be. Declarant has the right to receive, on a perpetual basis, a portion of the revenues derived from such systems as agreed, from time to time, between the provider of such system and Declarant.

18.11. Non-Liability. Association, Declarant or Club Owner shall not in any way or manner be held liable or responsible for any violation of this Declaration by any other person or entity. Neither Declarant nor Club Owner nor Association make any representations whatsoever as to the security of the Properties, the Club or Homesites or the effectiveness of any gate, or other security service. The Association and each Owner does hereby hold Declarant and Club Owner and Association harmless from any loss or claim arising from the occurrence of any crime or other act. Neither the Association, nor Club Owner, nor the Declarant, shall in any way be considered insurers or guarantors of security within the Properties, the Club or Homesites. All Owners specifically acknowledge that the Properties may have a perimeter security system, such as fences, walls, hedges, or the like on certain perimeter areas. Neither the Association, nor Club Owner, nor the Declarant, shall be held liable for any loss or damage by reason or failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners and occupants of any Homesites, tenants, guests and invitees of any Owner, as applicable, acknowledge that the Association, its Board and officers, Declarant, or Club Owner, their nominees or assigns, or any successor Declarant, and the A.C.C. and its members do not represent or warrant that any fire protection system, burglar alarm system, or other security system designated by or installed according to guidelines established may not be compromised or circumvented, that any fire protection or burglar alarm systems, or other systems will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise, nor that fire protection or burglar alarm systems or other security systems will in all cases provide the detection or protection for which the system is designed or intended.

18.12. Reserved Rights. Declarant and Club Owner shall have all rights and privileges reserved to it elsewhere in this Declaration.

18.13. Duration of Rights. The rights of Declarant set forth in this Declaration shall, unless specifically provided to the contrary herein, either for a period of time ending upon the earlier of: (i) when neither Declarant nor any affiliate of Declarant or nominee of either has any further interest of any kind in the Properties and/or Community or (ii) five (5) years after the Community Completion Date; or (iii) a relinquishment by Declarant in a statement in writing placed in the Public Records; or (iv) twenty-five (25) years after the date of the recording of this Declaration in the Public Records.

19. Assignment of Powers. All or any part of the rights, exemptions and powers and reservations of Declarant or Club Owner, as the case may be, herein contained may be conveyed or assigned to other persons or entities by an instrument in writing duly executed, acknowledged, and recorded in the Public Records.

20. General Provisions.

20.1. Authority of Association. Except when a vote of the membership of the Association is specifically required, all decisions, duties, and obligations of the Association hereunder may be made by the Board. The Association and Owners shall be bound thereby.

20.2. Approval of Association Lawsuits by Members. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five (75%) percent of the Owners. This Section shall not, however, apply to:

20.2.1. actions brought by the Association to enforce the provisions of this Declaration (including without limitation, the foreclosure of liens or Community Standards);

20.2.2. the imposition and collection of Assessments as provided in this Declaration;

20.2.3. proceedings involving challenges to ad valorem taxation; or

20.2.4. counterclaims brought by the Association in proceedings instituted against it.

This Section shall not be amended unless the prior written approval of Declarant is obtained, which may be granted or denied in its sole discretion.

20.3. Severability. Invalidation of any of the provisions of this Declaration by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

20.4. Notices. Any notice required to be sent to any person, firm, or entity under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address at the time of such mailing.

20.5. Club Covenants. Association and each Home Owner who has elected or elects to be a Club Member, where applicable, shall be bound by and comply with the Club Covenants which are incorporated herein by reference. Although the Club Covenants are an exhibit to this Declaration, the Declaration, Articles, By-Laws, Community Standards and Rules and Regulations (collectively, the "Association Documents") are subordinate and inferior to the Club Covenants. In the event of any conflict between the Club Covenants and the Association Documents, the Club Covenants shall control.

Restated Declaration
Silverlakes-Gateway
February 21, 2000

20.6. Florida Statutes. Whenever this Declaration refers to the Florida Statutes, it shall be deemed to refer to the Florida Statutes as they exist on the date this Declaration is recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

IN WITNESS WHEREOF, the undersigned, being Declarant hereunder, has hereunto set its hand and seal as of the date set forth above.

WITNESSES:

**LENNAR HOMES, INC., a
Florida corporation**

Ty Vigil
Print Name: Ty Vigil, CAM

By: [Signature]
Name: Mark Sherry
Title: Vice Pres.

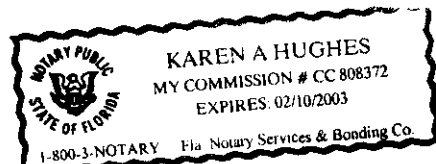
Thomas Drumm
Print Name: THOMAS DRUMM

STATE OF FLORIDA)
) SS.:
COUNTY OF Lee)

The foregoing instrument was acknowledged before me this 23rd day of Feb., 2000 by Mark Sherry as Vice President of Lennar Homes, Inc., a Florida corporation, who is personally known to me or who has produced _____ as identification.

My commission expires:

Karen A. Hughes
NOTARY PUBLIC, State of Florida
at Large
Print name: _____



Restated Declaration
Silverlakes-Gateway
February 21, 2000

JOINDER

SILVERLAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC. does hereby join in the document to which this Joinder is attached, and the terms thereof are and shall be binding upon the undersigned and its successors in title.

IN WITNESS WHEREOF, the undersigned has executed this Joinder on this 23rd day of Feb., 2000.

WITNESSES:

Ty Vigil
Print Name: TY VIGIL, CAM

Thomas S. Drum
Print Name: THOMAS DRUM

SILVERLAKES-GATEWAY
HOMEOWNERS ASSOCIATION, INC., a
Florida not-for-profit corporation

By: Valerie McChesney
Name: Valerie McChesney
Title: President
Date: 2/23/00

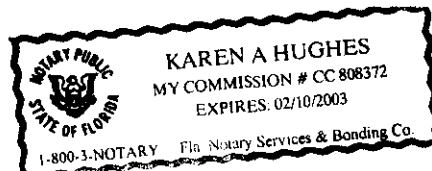
{SEAL}

STATE OF FLORIDA)
COUNTY OF Lee) SS.:

The foregoing instrument was acknowledged before me this 23rd day of Feb., 2000 by Valerie McChesney, President of SILVERLAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, who is personally known to me or who produced _____ as identification, on behalf of the corporation.

My commission expires:

Karen A. Hughes
NOTARY PUBLIC, State of Florida
Print name: _____



Silverlakes-Gateway
Club Covenants
February 17, 2000

EXHIBIT A

LEGAL DESCRIPTION

All of the property as shown on **GATEWAY PARCEL 23 PHASE 1**, according to the Plat thereof, recorded in Plat Book 53 at Page 63 in the Public Records of Lee County, Florida.

All of the property as shown on **GATEWAY PARCEL 23 PHASE 2 NORTH**, according to the Plat thereof, recorded in Plat Book 61 at Page 74 in the Public Records of Lee County, Florida.

All of the property as shown on **GATEWAY PARCEL 23 PHASE 2 SOUTH**, according to the Plat thereof, recorded in Plat Book 65 at Page 45 in the Public Records of Lee County, Florida.

Restated Declaration
Silverlakes-Gateway
February 17, 2000

EXHIBIT B
ARTICLES OF INCORPORATION

Restated Declaration
Silverlakes-Gateway
February 17, 2000

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State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of SILVER LAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on November 22, 1993, as shown by the records of this office.

The document number of this corporation is N93000005285.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twenty-third day of November, 1993



CR2E022 (2-91)

Jim Smith
Secretary of State

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ARTICLES OF INCORPORATION
OF
SILVER LAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC.

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Chapter 817, Florida Statutes, I, the undersigned natural person competent to contract, acting as incorporator of a corporation not-for-profit, hereby adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation is SILVER LAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association".

ARTICLE II

PRINCIPAL OFFICE AND MAILING ADDRESS

The principal office and mailing address of the Association is 700 N.W. 107 Avenue, Miami, Florida 33172.

ARTICLE III

REGISTERED AGENT

MORRIS J. WASKY, whose address is 700 N.W. 107th Avenue, Miami, Florida 33172, is hereby appointed the initial registered agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance and preservation of the Common Open Space, and other maintenance as is further provided in the Declaration, to provide for the architectural control of the residence Lots (all as defined in the Declaration referred to hereinafter) within that certain Project known as Silver Lakes-Gateway; and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereinafter be brought within the jurisdiction of this Association, and in furtherance of these purposes, to:

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(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the certain Declaration hereinafter and above called the "Declaration", applicable to the property and recorded or to be recorded in the office of the Clerk of the Circuit Court of Lee County, Florida, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment of, by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incidental to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise) own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of the members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Private Drives and Common Open Space to any Public Agency or authority or utility for such purposes and subject to such conditions as may be provided in the Declaration;

(f) participate in mergers and consolidation with other non-profit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the members; and

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under Chapter 617, Florida Statutes, by law may now or hereafter have and exercise.

ARTICLE V

MEMBERSHIP

Each Lot which is subject by covenants of record to assessment by the Association shall have appurtenant thereto a membership in the Association, which membership shall be held by the person or entity, or in common by the persons or entities, owning such unit, except that no person or entity holding an interest or title to a unit as security for performance of an obligation shall acquire the membership appurtenant to such Lot by virtue of such interest or title. In no event may any membership be severed from the Lot to which it is appurtenant.

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ARTICLE VI

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Developer and shall be entitled to one vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. 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 Lot.

Class B. Class B member(s) shall be the Developer (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class "B" membership shall cease and be converted to Class "A" membership on the happening of any of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class "A" membership equal the total votes in the Class "B" membership; or
- (b) Seven (7) years from the date of filing of the Declaration; or
- (c) At such time as the Class "B" member voluntarily relinquishes its right to vote.

ARTICLE VII

BOARD OF DIRECTORS

The affairs and property of this corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than nine (9) members, and in the future the number will be determined from time to time in accordance with the provisions of the By-Laws of the corporation. The number of Directors on the Board of Directors shall be an odd number.

The names and addresses of the persons who are to act in the capacity of Director until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Armando J. Goenaga	5245 Big Pine Way Fort Myers, Florida 33907
Perde Williams	5245 Big Pine Way Fort Myers, Florida 33907
Rebecca Montgomery	5245 Big Pine Way Fort Myers, Florida 33907

At the first annual meeting and at each succeeding meeting until such time as the Class B membership lapses, the members shall elect three (3) directors, each for a term of one (1) year.

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At the first annual meeting after the Class B membership ceases to exist, the members shall elect two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years, and a fifth (5th) director for a term of three (3) years. The candidate receiving the largest number of votes shall serve as director for three (3) years; the two candidates receiving the second and third largest vote shall serve as directors for two (2) years; and the two candidates receiving the fourth and fifth largest vote shall serve as directors for one (1) year. At each annual meeting thereafter the members shall elect the appropriate number of directors for a term of three (3) years.

ARTICLE VIII

OFFICERS

The officers of this Association shall be a President and a Vice President, who shall at all times be members of the Board of Directors; a Secretary, Treasurer, and such other officers as the Board may from time to time by resolution create. The election of officers shall take place at the first meeting of the Board of Directors which shall follow each annual meeting of members. The names of the officers who are to serve until the first election of appointments are:

PRESIDENT
VICE PRESIDENT
SECRETARY
TREASURER

ARMANDO J. GOENAGA
FERDE WILLIAMS
REBECCA MONTGOMERY
REBECCA MONTGOMERY

ARTICLE IX

INDEMNIFICATION OF OFFICERS AND DIRECTORS

A. The Association hereby indemnifies any Director or officer made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding:

Whether civil, criminal, administrative, or investigative, other than one by or in the right of the Association to procure a judgment in its favor, brought to impose a liability or penalty on such person for an act alleged to have been committed by such person in his capacity of Director or officer of the Association, or in his capacity as Director, officer, employee or agent of any other corporation, partnership, joint venture, or other enterprise which he served at the request of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action, suit or proceeding or any appeal therein, if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association, and in criminal actions or proceedings, without reasonable ground for belief that such action was unlawful. The termination of

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any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not in itself create a presumption that any such Director or officer did not act in good faith in the reasonable belief that such action was in the best interests of the Association or that he had reasonable grounds for belief that such action was unlawful.

B. By or in the right of the Association to procure a judgment in its favor by reason of his being or having been a Director or officer of the Association, or by reason of his being or having been a Director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association. Such person shall not be entitled to indemnification in relation to matters to which such person has been adjudged to have been guilty of gross negligence or misconduct in the performance of his duty to the Association, unless and only to the extent that, the court, administrative agency, or investigative body before which such action, suit or proceeding is held shall determine upon application that despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such tribunal shall deem proper.

C. The Board of Directors shall determine whether amounts for which a Director or officer seeks indemnification were properly incurred and whether such Director or officer acted in good faith and in a manner he reasonably believed to be in the best interests of the Association, and whether, with respect to any criminal action or proceeding, he had no reasonable ground for belief that such action was unlawful. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding.

D. The foregoing rights of indemnification shall not be deemed to limit in any way the powers of the Association to indemnify under applicable law.

ARTICLE X

TRANSACTION IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

A. No contract or transaction between the Association and one or more of its Directors or officers, or between the Association and any other corporation, partnership, association or other organization in which one or more of its Directors or officers are Directors or officers, have a financial interest, shall be invalid, void or voidable

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solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or Committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. However, such Director or officer must disclose such financial or other interest. No Director or officer of the Association shall incur liability by reason of the fact that he is or may be interested in any 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 XI

BY LAWS

By-Laws shall be initially adopted by the Board of Directors after which these By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

ARTICLE XII

ANNEXATION

Residential Property, common area and recreational facilities may be annexed to the Property with the consent of two-thirds (2/3) of the members of the Association. Such Annexation shall become effective upon the recording of an amendment to this Declaration in the Public Records of Lee County, Florida.

ARTICLE XIII

AMENDMENTS

Proposals for the alteration, amendment or rescission of these Articles of Incorporation may be made by a majority of the Board of Directors or twenty-five percent (25%) of the voting members. Amendment of these Articles of Incorporation shall require the assent of not less than seventy-five percent (75%) of the total number of votes of the membership, except that the Board of Directors may amend these Articles of Incorporation without the assent of the membership to correct any ambiguities, scrivener's errors or conflict appearing within these Articles of Incorporation.

As long as there is a Class B membership, amendment of these Articles of Incorporation requires the prior approval of the Federal Housing Authority and/or the Veterans Administration.

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ARTICLE XIV

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the holders of not less than two-thirds (2/3) of the total number of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for the purposes similar to those for which this Association was created. In the event dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes. Any action under this Article is subject to the procedures and requirements of Florida Statute 617.05.

ARTICLE XV

DURATION

The corporate shall exist perpetually.

ARTICLE XVI

INCORPORATOR

The name and address of the incorporator is as follows:

NAMEADDRESS

Morris J. Watsky

700 N. W. 107th Avenue

Miami, Florida 33172

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 15 day of November 19 93.

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ARTICLE XIV

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the holders of not less than two-thirds (2/3) of the total number of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for the purposes similar to those for which this Association was created. In the event dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes. Any action under this Article is subject to the procedures and requirements of Florida Statute 617.05.

ARTICLE XV

DURATION

The corporate shall exist perpetually.

ARTICLE XVI

INCORPORATOR

The name and address of the incorporator is as follows:

NAMEADDRESS

Morris J. Watsky

700 N. W. 107th Avenue

Miami, Florida 33172

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, I, the undersigned, constituting the Incorporator of this Association, have executed these Articles of Incorporation this 1st day of November, 1983.


Morris J. Watsky, Incorporator

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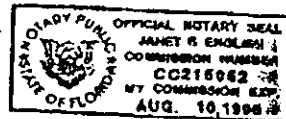
STATE OF FLORIDA
COUNTY OF DADE

I HEREBY CERTIFY that on this day personally appeared before me, the undersigned authority, MORRIS J. WATSKY, to me well known and well known to me to be the person described in and who executed the foregoing instrument and he acknowledged before me that he executed the said instrument as his free and voluntary act and deed for the uses and purposes therein set forth and expressed.

WITNESS my hand and seal this 1st day of November, 1993 by Morris J. Watsky. He is personally known to me and did not take an oath.

Janet S. English
Notary Public, State of Florida

My Commission Expires:



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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

CERTIFICATE DESIGNATING PLACE OF BUSINESS FOR SERVICE OR PROCESS WITHIN
THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED

Pursuant to Chapter 48.381, Florida Statutes, the following is submitted in
compliance with said Statute:

THAT SILVER LAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC., desiring to or-
ganize under the laws of the State of Florida, with its principal offices at 700 N.W. 107
Avenue, Miami, County of Dade, State of Florida, has named MORRIS J. WATSKY, whose
office is located at 700 N.W. 107 Avenue, Miami, Florida 33172, as its agent to accept
service of process within the State.

ACKNOWLEDGEMENT

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


MORRIS J. WATSKY

EXHIBIT C
BY-LAWS

Restated Declaration
Silverlakes-Gateway
February 17, 2000

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BY-LAWS
OF
SILVER LAKES - GATEWAY HOMEOWNERS ASSOCIATION, INC.
A Florida corporation Not-for-Profit

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to SILVER LAKES - GATEWAY HOMEOWNERS ASSOCIATION, INC., a non-profit corporation organized and existing under the laws of the State of Florida.

Section 2. The "Properties" shall mean and refer to all of the property subject to that certain Declaration of Covenants, Restrictions, Easements, Charges and Liens for Silver Lakes recorded (or to be recorded) in the Public Records of Lee County, Florida (the "Declaration"), together with all such other property which may be added thereto consistent with the Declaration, but not including any property withdrawn from the provisions thereof.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot.

Section 4. "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article V of the Articles of Incorporation of the Association.

Section 5. Terms defined in the Declaration or Articles of Incorporation shall have the same meaning as provided therein.

ARTICLE II

Location

The principal office of the Association shall be located at the residence or place of business in Lee County, Florida, of the then President of the Association.

ARTICLE III

Membership

Section 1. Membership of the Association is as set forth in Article V of the Articles of Incorporation of the Association and Article III of the Declaration.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessment is imposed against each owner of, and becomes a lien upon, the Lots against which such assessments are made, as provided in Article VI of the Declaration. During any period in which a

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Member shall be in default in the payment of any assessment levied by the Association, the Member's right to use the recreational facilities, if any, of the Common Properties, may be suspended by the Board of Directors until such assessment has been paid. Further, such rights of a Member may be suspended, after notice and a hearing, for a period not to exceed thirty (30) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Properties.

Section 3. All present and future Members shall be subject to these By-Laws and to the rules and regulations issued by the Association to govern the conduct of its Members.

ARTICLE IV

Use of Facilities

The Common Properties shall be limited to the use of the Members and their guests. In the event a Member shall lease or permit another to occupy his Home or Lot, the lessee or occupant shall, at the option of the Member, be permitted to enjoy the use of the Common Properties in lieu of and subject to the same restrictions and limitations as said Member. Any Member, lessee or occupant entitled to the use of the Association facilities, if any, may extend such privileges to members of his family residing in his household.

ARTICLE V

Board of Directors

Section 1. Number and Term. The number of Directors which shall constitute the whole Board shall not be less than three (3) nor more than nine (9) members, but shall be such number as the Board shall from time to time determine. An initial Board consisting of three (3) Directors shall be designated by the Developer to serve in all the first annual meeting of the Association. At the first annual meeting after the Class B membership ceases, and at all subsequent annual meetings thereafter, the Members shall vote for and elect such number of Directors as is designated by the Board to serve for one (1) year terms and until their successors have been duly elected and qualified. All Directors must be Members of the Association or authorized representatives, officers or employees of the Developer, or corporate members of the Association.

Section 2. No Cumulative Voting. In any election of Directors, cumulative voting is prohibited, and Directors shall be elected by plurality voting.

Section 3. Vacancy and Replacement. If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, even though less than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor who shall hold office for

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the unexpired term with respect to which such vacancy occurred and until his successor is duly elected and qualified. In the event a Director of the initial Board resigns, the Developer shall have the right to appoint another Director in his place.

Section 4. Removal. Directors may be removed for cause by an affirmative vote of two-thirds (2/3) of the total vote present at a duly convened meeting of the Members. No Director shall continue to serve on the Board if, during his term of office, he shall cease to be qualified to be a Director in accordance with Section 1 hereof.

Section 5. Powers.

(a) The property and business of the Association shall be managed by its Board of Directors which may exercise all such powers of the Association and do all such lawful acts and things as are not by Statute, Declaration, Articles of Incorporation or by these By-Laws, directed or required to be exercised or done by the Members personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy Association assessments to cover the cost of operating and maintaining the Common Properties and portions of Lots, as provided in the Declaration, or for any other purpose required to carry out the intent of the Declaration. The Board of Directors may increase or decrease the assessments or vote a special assessment, if required, to meet any additional expenses.
2. To collect, use and expend the assessments to maintain, care for and preserve Common Properties and portions of Lots, as provided in the Declaration, or otherwise carry out the intent of the Declaration.
3. To make repairs, restore or alter the Common Properties after damage or destruction by fire or other casualty or as a result of the condemnation or eminent domain proceedings.
4. To open bank accounts and borrow money on behalf of the Association and to designate the signatories to such bank accounts.
5. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from Members for violations of the Declaration or rules and regulations adopted by the Association.
6. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the Members when the Board has approved them in writing and delivered a copy of such rules and all amendments to each Member. Such rules and regulations may, without limiting the foregoing, include reasonable limitations on the use of the Common Properties by guests of the Members as well as reasonable admission and other fees for such use.

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7. To employ workmen, contractors and supervisory personnel and to purchase supplies and equipment to enter into contracts to provide maintenance and other services and generally to have the powers of Directors in connection with the matters hereinabove set forth.

8. To bring and defend actions by or against one or more Members as to matters relating to the Association, and to assess the Members for the cost of such litigation.

9. To hire a Managing Agent to perform and exercise the powers of the Board of Directors in the management of the Development.

10. To establish committees, appoint members thereto, define the power and operating procedures thereof and terminate committees so as to carry out the general intent of the Declaration.

(b) The Board of Directors may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least three (3) Directors or Members, one of whom shall be a Director which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may have power to sign all papers which may be required, provided the said resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Committees established by resolution of the Board of Directors shall keep regular minutes of their proceedings and shall report the same to the Board, as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, so long as the Developer or its designee shall own membership interests representing in the aggregate at least ten (10%) percent of the total membership or more, the Board may not, without the Developer's prior written consent, (i) make any addition, alteration or improvement to the Common Properties, or (ii) assess any charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, or (iii) hire any employee where it results in a greater number of employees employed by the Association in its prior fiscal year, or (iv) enter into any service or maintenance contract for work not being performed by the Association in its prior fiscal year, or (v) borrow money on behalf of the Association, or (vi) reduce the services performed by the Association in its prior fiscal year.

Section 6. Compensation. Directors and officers, as such, shall receive no compensation for their services.

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Section 7. Meetings.

(a) The first meeting of each Board newly elected by the Members shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the annual meeting of Association Members and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Special meetings of the Board may be called by the President on two (2) days notice to each Director either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Directors.

(c) At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and an act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by Statute or by the Declaration or by these By-Laws. If a quorum shall not be present at a meeting of Directors, the Directors present thereat may adjourn the meeting, from time to time, without notice other than announcement at the meeting until a quorum shall be present.

(d) Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 8. Annual Statement. The Board of Directors shall furnish to all Members and shall present annually (at the annual meeting), a full and clear statement of the business conditions and affairs of the Association, including a balance sheet and profit and loss statement unaudited, and a statement regarding any taxable income attributable to the Members and a notice of the holding of the annual meeting of Association members.

Section 9. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be an expense of the Association.

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ARTICLE VI

Officers

Section 1. Elective Officers. The officers of the Association shall be chosen by the Board of Directors and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be either members of the Association or employees or designees of the Developer. Two or more offices may not be held by the same person, except for Secretary and Treasurer. The President and Vice-President shall be elected from the members of the Board of Directors.

Section 2. Election. The Board, at its first meeting after each annual meeting of the Association Members, shall elect a President, a Vice President, a Secretary and a Treasurer.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office for a period of one (1) year or until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board at any regular or special Board meeting.

Section 5. The President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association Members and the Board, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Association, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a corporation organized not-for-profit under Chapter 617, Florida Statutes, as amended.

Section 6. The Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized not-for-profit under Chapter 617, Florida Statutes, as amended.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all meetings of Association Members and record all votes and the

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minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give or cause to be given notice of all meetings of Association Members and special meetings of the Board and shall perform such other duties as may be prescribed by the Board of Directors or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Association, including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board. These duties may also be exercised by a Managing Agent, if any, appointed by the Board.

The Treasurer shall disburse the funds of the Association as he may be ordered by the Board, making proper vouchers for such disbursements, and shall render to the President and Directors at the regular meeting of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association.

The Treasurer shall keep detailed financial records and books of account of the Association, including a separate account for each Member which, among other things, shall contain the amount of each Assessment, the date when due, the amount paid thereon and the balance remaining unpaid.

Section 9. Agreements, Etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board.

ARTICLE VII

Notices

Section 1. Definitions. Whenever, under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Directors or to any Director or Association Member, it shall not be construed to mean personal notice but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a

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ARTICLE VIII

Meetings of Members, Quorums, Proxies and Waivers

Section 1. Annual Meetings. The regular annual meeting of the Members shall be held in each fiscal year, at such time, date and place as shall be determined by the Board of Directors. At such meeting there shall be elected by ballot of the membership a Board of Directors in accordance with the requirements of Article V of these By-Laws. The Members may also transact such other business as may properly come before the meeting.

Section 2. Special Meetings. Special meetings of the Members for any purpose may be called at any time by the President or by any two or more Members of the Board of Directors, or upon written request of the Members who have a right to vote one-fourth (1/4) of all the votes of the entire Membership, or who have the right to vote one-fourth (1/4) of the votes of any class of Membership.

Section 3. Quorum. As many Members as shall represent at least a majority of the total authorized votes of all Members, present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the Association for the transaction of business, except as otherwise provided by Statute, by the Declaration, the Articles of Incorporation of the Association or these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Association, the Chairman of the meeting shall have the power to adjourn the meeting to a time and date not more than thirty (30) days in the future; provided not less than five (5) days written notice of the adjourned meeting date shall be given to the Membership. At such adjourned meeting, as many Members as shall represent at least thirty-three and one-third (33-1/3%) percent of the total authorized votes of all Members shall constitute a quorum and any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Members present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Members unless the question is one upon which by express provision of statute, the Declaration, Articles of Incorporation or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote. Members shall be entitled to vote either in person or by proxy at any meeting of the Association. Any such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

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Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting, which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. Wherever the vote of the Membership at a meeting is required or provided by statute or by any provision of the Declaration, Articles of Incorporation or of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of the membership may be dispensed with if all Members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings. Meetings shall be held at any suitable place convenient to the Members as may be designated by the Board of Directors and designated in the notices of such meetings.

Section 9. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member at least ten (10) days, but not more than thirty (30) days, prior to such meeting. The mailing of a notice in the manner provided by these By-Laws shall be considered notice served.

Section 10. Order of Business. The order of business at all meetings shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Report of officers, if any;
- (e) Report of committees, if any;
- (f) Appointment of inspectors of election (in the event there is an election);
- (g) Election of Directors (in the event there is an election);
- (h) Unfinished business;
- (i) New business.

ARTICLE IX

Amendments

These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of seventy-five (75%) percent of the total authorized votes of all Members present in person or by proxy, provided that the notice to the Members of the meeting contains a statement of the proposed Amendment of the By-Laws; and provided that the provisions which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or by applicable law, and

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provided further that any matters stated herein to be or which are in fact covered by the Declaration may not be amended except as provided in such Declaration. No amendments shall be effective which would affect the rights or obligations of the Class B Member (the Developer) without the prior written approval of such Member. All amendments to these By-Laws shall be recorded in the Public Records of Lee County, Florida. The Federal Housing Administration or the Veterans Administration shall have the right to vote any of the above while either of such entities has an interest.

ARTICLE X

Acquisition of Lots

At any foreclosure sale of a lot, the Board of Directors may, with the authorization and approval by the affirmative vote of Members casting not less than sixty-six and two-thirds (66-2/3%) percent of the total authorized vote of the Members, present in person or by proxy, at any regular or special meeting of the Members wherein said matter is voted upon, acquire in the name of the Association, or its designees, a lot being foreclosed. The term "foreclosure", as used in this Article, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a lot at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of said Board of Directors or of the Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purposes of setting forth the power of the Board of Directors to do so should the requisite approval of the Members be obtained. The Board of Directors shall not be required to obtain the approval of Owners at the foreclosure sale of a lot, due to the foreclosure of the Association's lien for assessment under the provisions of the Declaration, notwithstanding the fact that the Board of Directors discontinues its bid at such foreclosure sale.

ARTICLE XI

Parliamentary Rules

Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Declaration or the By-Laws.

ARTICLE XII

Paramount Rights of Developer

All of the applicable terms and provisions of all of the Articles and the Sections hereunder of these By-Laws shall be subject to the applicable sections of the Declaration as

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rights and powers of the Developer, which rights and powers shall be deemed paramount in the applicable provisions of the Articles and Sections hereunder of these By-Laws.

ARTICLE XIII

General Provisions

Section 1. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Directors, and the fiscal year may be a calendar year.

Section 2. Examination of Books and Records. Each Member or their respective representatives and first mortgagees, shall be entitled to a reasonable examination of the books and records of the Association at any time upon reasonable notice to its Board of Directors. The Declaration, Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member or First mortgagee at the principal office of the Association.

Section 3. Gender. Whenever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so requires.

Section 4. Severability. Should any of the covenants, terms or provisions herein imposed be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall nevertheless be and remain in full force and effect.

Section 5. Construction. In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in case of any conflict between the Declaration and these By-Laws the said Declaration shall control.

I HEREBY CERTIFY that the foregoing By-Laws of the above named Association were duly adopted by the Board of Directors of said Association on the 20th day of May, 1994.

SILVER LAKES - GATEWAY
HOMEOWNERS ASSOCIATION, INC.,
a Florida corporation not-for-profit

By: _____
President

EXHIBIT D
SILVERLAKES-GATEWAY CLUB COVENANTS

Restated Declaration
Silverlakes-Gateway
February 17, 2000

THIS INSTRUMENT PREPARED BY:

PATRICIA KIMBALL FLETCHER, ESQ.
 ZACK KOSNITZKY, P.A.
 100 Southeast Second Street
 Suite 2800
 Miami, Florida 33131

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 Club Covenants
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SILVERLAKES-GATEWAY CLUB COVENANTS

THESE SILVERLAKES-GATEWAY CLUB COVENANTS ("Covenants") are made this 23 day of February 2000 by Lennar Homes, Inc., a Florida corporation ("Lennar") and joined in by Silverlakes-Gateway Homeowners Association, Inc., a Florida not-for-profit corporation ("Association").

R E C I T A L S

- A. Lennar recorded those certain Club Covenants (the "Original Covenants") as Exhibit "E" to that certain Declaration of Restrictive Covenants Silverlakes-Gateway (the "First Declaration") in Official Records Book 2520 at Page 485 of the Public Records of Lee County, Florida respecting the residential community located in Lee County known as Silverlakes-Gateway legally described on Exhibit A attached hereto and made a part hereof.
- B. The First Declaration was amended by virtue of the following amendments (collectively, the "Amendments"): Amendment to Declaration of Restrictive Covenants Silverlakes-Gateway recorded in Official Records Book 2676 Page 2995 that certain Second Amendment to Declaration of Restrictive Covenants Silverlakes-Gateway recorded in Official Records Book 2970 at Page 1023, both in the Public Records of Lee County, Florida (collectively, the "Amendments"). The First Declaration together with the Amendments shall herein after be referred to as the "Original Declaration."
- C. Lennar is currently the owner of the Club located in Lee County, Florida known as the Silverlakes-Gateway Club (the "Club").
- D. Lennar is simultaneously herewith amending and restating the Original Declaration in its entirety, in order to separate entirely the Original Club Covenants from the Original Declaration. Further, Lennar desires that all of these covenants appear in a single document with a separate index and terms so that the provisions governing the Club will be easily understandable to each and every Owner.

NOW THEREFORE, in consideration of the premises and mutual covenants herein contained, Lennar hereby declares that the real property described in Exhibit A attached hereto and made a part hereof ("Silverlakes-Gateway") shall be subject to the following covenants, restrictions, terms and conditions:

- 1. Recitals. The foregoing Recitals are true and correct and are incorporated into and form a part of these Covenants.
- 2. Original Covenants. These Covenants shall replace entirely the Original Covenants. These

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Covenants shall relate back to and be deemed effective from the date upon which the Original Covenants were recorded.

3. **Definitions.** In addition to the terms defined elsewhere herein, the following terms shall have the meanings specified below:

"**Association**" shall mean Silverlakes-Gateway Homeowners Association, Inc., its successors and assigns.

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

"**Club**" shall mean the Silverlakes-Gateway Club and all facilities constructed thereon subject to additions and deletions made by Club Owner from time to time.

"**Club Charges**" shall mean the charges related to the Club to be paid by the Owners pursuant to the provisions of these Covenants and the Declaration, including the Club Fee and Club Operating Costs.

"**Club Fee**" shall mean the fee to be paid to Club Owner by each Owner pursuant to the provisions of Section 7.1 hereof.

"**Club Manager**" shall mean the entity operating and managing the Club, from time to time.

"**Club Operating Costs**" shall mean all costs (as such term is used in its broadest sense) of owning (including Club Owner's debt service), operating, managing, maintaining, insuring the Club, including, but not limited to, trash collection, utility charges, maintenance, reserves, repairs, refurbishments, payroll and payroll costs, working capital, ad valorem or other taxes (excluding income taxes of Club Owner), assessments, costs, expenses, levies and charges of any nature which may be levied, imposed or assessed against, or in connection with, the Club.

"**Club Owner**" shall mean the owner of the real property comprising the Club and its successors and assigns. At this time, Lennar is the Club Owner.

"**Club Property**" shall mean the real property described as Exhibit B attached hereto or such other real property identified as Club Property by Club Owner from time to time by written amendment to these Covenants.

"**Covenants**" shall mean these Silverlakes-Gateway Club Covenants, together with all amendments and modifications hereto.

"**Declarant**" shall have the meaning set forth in the Declaration. At this time

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Declarant is Lennar.

"**Declaration**" shall mean that certain Restated Declaration of Restrictive Covenants Silverlakes-Gateway, as such Declaration may be amended or modified from time to time, which has or will be recorded in the Public Records.

"**Home**" a residential dwelling, and appurtenances thereto, constructed on a Homesite within the Properties.

"**Homesite**" shall mean a parcel of real property upon which a Home has, or will, be constructed. Once improved, the term Homesite shall include all improvements thereon and appurtenances thereto. The term Homesite, as used herein, may, or may not, reflect the same division of property as exists on the underlying Plat affecting the Properties.

"**Lender**" shall mean the holder, insurer or guarantor of a first mortgage encumbering a Homesite or Home.

"**Owner**" shall mean the record owner (whether one or more persons or entities) of fee simple title to any Home. The term "Owner" shall not include Declarant, Club Owner, or those persons or entities designated by Declarant, or a Lender, or those having an interest in a Home or a portion of the Properties merely as security for the performance of an obligation. Each Owner shall be a member of the Club.

"**Properties**" shall mean that certain real property described in Exhibit A of the Declaration.

All other initially capitalized terms not defined herein, shall have the meanings set forth in the Declaration.

4. **Exceptions.** The Rules and Regulations of the Association shall not apply to the Club Owner, or their designees, or to any property owned by Club Owner, and shall not be applied in a manner which would prohibit or restrict the development of the Club or affect the interests of the Club Owner. Specifically and without limitation, the Club Owner, and/or its assigns, shall have the right to:

4.1. develop, construct and reconstruct, in whole or in part, the Club and related improvements within the Properties, and make any additions, alterations, improvements, or changes thereto;

4.2. maintain, or allow others to maintain, customary and usual sales, general office and construction operations on the Club;

4.3. place, erect, and/or construct portable, temporary, or accessory buildings or structures upon the Club Property for sales, construction storage, or other purposes;

4.4. temporarily deposit, dump or accumulate materials, trash, refuse and rubbish on the Club Property in connection with the development or construction of any portion of the Club;

4.5. post, display, inscribe or affix to the exterior of the Club, signs and other materials used in developing, constructing, selling, or promoting the sale of the Properties, Club Memberships, Homesites and Homes;

4.6. excavate fill from any lakes or waterways within and/or contiguous to the Club Property by dredge or dragline, store fill within the Club Property, and remove and/or sell excess fill;

4.7. grow or store plants and trees within, or contiguous to, the Club Property and use and/or sell excess plants and trees; and

4.8. undertake all activities which, in the sole opinion of Club Owner, are necessary for the development and sale of the Club or any lands or improvements therein.

5. The Club. Club Owner has constructed the Club on the Club Property which will be and shall remain the property of Club Owner, subject only to the provisions hereof.

5.1. Rights of Owners. By virtue of, and subject to these Covenants, each Owner shall have the right to utilize the Club on a non-exclusive basis in common with such other persons, entities and corporations entitled to utilize the Club. If a Home is owned by a corporation, trust or other legal entity, or is owned by more than one family, then the Owner(s) collectively shall designate the persons entitled to utilize the Club. Such designation shall not exceed the number of occupants for which the Home was designed (*i.e.*, two persons per bedroom).

5.2. Use by Persons Other than Owners. Club Owner has the right at any and all times, and from time to time, to further provide and make the Club available to other individuals, persons, firms or corporations, as it deems appropriate. The granting of such rights shall not invalidate these Covenants, reduce or abate any Owner's obligations to pay Club Charges pursuant to these Covenants, or give any Owner the right to avoid any of the covenants, agreements or obligations to be performed hereunder.

5.3. Construction of the Club. The Club Owner has constructed, or will construct, the Club at its sole cost and expense. The facilities of the Club are contemplated to consist of a health/fitness facility and related amenities together with such equipment and personalty as the Club Owner determines in its sole discretion. Club Owner shall be the sole judge as to the plans, design, location, completion, schedule, materials, size, and contents of the Club. Prior to the Community

Completion Date, the Club Owner reserves the absolute right to, from time to time, alter or change the Club, including construction of additional facilities or the removal or modification thereof.

6. Operations. Until the Club Owner delegates the right and duty to operate, manage and maintain the Club to Association as hereinafter provided, the Club shall be under the complete supervision and control of the Club Owner. The Club Owner has the right to own, operate, manage, maintain, insure, etc. the Club as it determines in its sole discretion. Thereafter, and subject to continuous performance pursuant to these Covenants, the Club Owner may hire a management firm (a "Club Manager") to perform its functions at a reasonable charge therefore. The Club Manager may, or may not, be an affiliate of Club Owner and/or Declarant. If the Club Owner delegates the right and duty to operate, manage, maintain, insure, etc. the Club to Association, such right shall be subject to the Association's continuous and diligent performance pursuant to these Covenants. Notwithstanding the foregoing, in such event, the ownership of the Club shall remain with the Club Owner.

7. Club Charges. In consideration of the construction and providing for use of the Club by the Owners, each Owner by acceptance of a deed to a Home, shall be deemed to have specifically covenanted and agreed to pay all Club Charges and fees which are set forth herein:

7.1. Club Fee. Each Owner shall pay a monthly Club Fee, without setoff or deduction, to the Club Owner or its designee, in the sum of Fifteen Dollars (\$15.00) per month until December 31, 1996 and the sum of Twenty Dollars (\$20.00) per month from January 1, 1997 until December 31, 2001 and the sum of Twenty-Five Dollars (\$25.00) per month from January 1, 2002 until December 31, 2002. The monthly Club Fee shall increase by Two Dollars (\$2.00), each year thereafter, commencing January 1, 2003 and each January 1 thereafter.

7.2. Commencement of Club Charges. The Club Fee shall be payable in advance and commence on the date of conveyance of the Home and, thereafter be payable on the first day of each payment period thereafter. Club Charges shall be payable, in advance, on the first day of each payment period.

7.3. Club Operating Costs. In addition to the Club Fee, each Owner agrees and covenants to pay and discharge, in a timely fashion when due, its prorata portion (as hereinafter set forth) of the Club Operating Costs. The Owners shall collectively bear all expenses associated with the Club so that the Club Owner shall receive the Club Fee without deduction of expenses or charges in respect of the Club.

7.4. Special Use Fees. Club Owner shall have the right to establish and impose charges, for which one or more Owners (but less than all Owners) are subject, such as, costs of special services provided to an Owner relating to special use to the Club.

7.5. Additional Club Taxes. In addition to the Club Charges, each Owner shall pay all

applicable sales, use or similar taxes now or thereafter imposed thereon, if any.

7.6. Time Is of Essence. Faithful payment of the sums due, and performance of the other obligations hereunder, at the times stated, shall be of the essence. Should the Club Charges, or any other sums due hereunder, at any time remain due and unpaid for a period of five (5) days after such sums shall become due, or should an Owner or Association not perform its obligations hereunder, the Owner or Association, as the case may be, shall be in default hereunder.

8. Determination of Club Operating Costs.

8.1. Collection.

8.1.1. Association's Collection Responsibilities. If directed in writing by Club Owner, Association, shall collect the Club Charges and any other amounts due to Club Owner at the same time it collects Assessments from the Owners. Upon collection, Association shall be deemed to hold the same in trust for Club Owner and for the payments as required. Upon collection, the Association shall forthwith forward Club Fee to Club Owner, the Club Operating Costs to the Club Manager, together with a record of which Owners did and did not pay.

8.1.2. Liens. During any period that Association is operating the Club as Club Manager at the direction of Club Owner pursuant to these Covenants, then Association is granted the conditional license to retain those portions of the Club Charges other than the Club Fee for the strict purpose of paying the Club Operating Costs.

8.1.3. Diligence. If Club Owner directs Association to collect Club Charges, Association shall diligently and at Association's expense (to the extent not otherwise payable by a delinquent Owner) assess and collect from each Owner those items of cost and expense, and enforce collection of all delinquencies including enforcement of all liens in the name of Club Owner, as set forth in these Covenants.

8.1.4. Application of Funds. Notwithstanding anything to the contrary contained in the Declaration to the contrary, Association agrees that in the event that Club Owner directs Association to collect Club Charges, and Association collects Club Charges and Assessments from a particular Owner for any month (whether or not those funds are designated as payment of Club Charges or Assessments), those funds shall be first allocated to the payment of Club Fees, then to the payment of Club Operating Costs, then to the payment of special use fees and other amounts due to Club Owner, and then to the payment of Assessments for Association purposes. Notwithstanding the foregoing, if such Owner thereafter makes additional payment to Association, such additional payments shall be applied to bring all Club Charges and Assessments for the first month of delinquency current before funds are applied to the next month's Club Charges.

8.2. Allocation of Costs. For the period until the adoption of the first annual budget, Club

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Charges shall be as set forth in the initial Club budget ("Budget"). The Club Operating Costs shall be allocated so that each Home shall pay his or her pro rata portion of Club Operating Costs based upon a fraction, the numerator of which is one (1) and the denominator of which is three hundred twenty-nine (329). Provided, however, in the event the Club Owner determines that the Community will contain other than three hundred twenty-nine (329) Homes, it shall record a certificate to that effect and the allocation of Club Operating Costs shall be based upon the number of Homes to be included in the Community.

8.3. Adjustments If Estimates Incorrect. In the event the estimate of Club Operating Costs for the year is, after the actual Club Operating Costs for that period is known, more or less than the actual Club Operating Costs, then the difference shall, at the election of Club Owner: (i) be added or subtracted, as the case may be, to the calculation for the next ensuing year; (ii) be immediately collected from the Owners by virtue of a special bill which shall be payable by each Owner within ten (10) days of mailing, or (iii) the remaining monthly Club Charges shall be adjusted to reflect such deficit or surplus.

8.4. Retroactive Collection. Club Owner shall have the unequivocal right to collect Club Operating Costs retroactively on January 1st of any year, which costs shall relate back to the date that the collection could have been made.

8.5. No Right to Withhold Payment. Each Owner agrees that so long as such Owner does not pay more than the required amount of Club Charges, such Owner shall have no grounds upon which to object to either the method of payment or non-payment by other Owners of any sums due.

8.6. Allocation. Except as hereinafter specified to the contrary, Club Operating Costs shall be allocated equally to each Owner.

8.7. Special Costs Allocation. Except as hereinafter specified to the contrary, special costs may be collected from the Owners benefitting from, or subject to, the special service or cost as specified by Club Owner.

8.8. Commencement of First Club Charges. The obligation to pay Club Charges shall commence, as to each Owner, on the day of the conveyance of title of a Home to an Owner.

8.9. Initial Budgets. The initial budget prepared by Club Owner is adopted as the budget for the period of operation until adoption of the first annual Club Budget. Thereafter, budgets shall be prepared and adopted by the Club Owner.

9. Establishment of Club Costs. Club Charges shall be established in accordance with the following procedures:

9.1 Generally. Club Charges, which shall include the Club Fee in the amounts set forth

in Section 7.1 above, shall be established by the adoption of a projected operating budget. Written notice of the amount and date of commencement thereof shall be given to each Owner not less than ten (10) days in advance of the due date of the first installment thereof. Club Charges shall, unless otherwise specified by the Club Owner, be payable, in advance, at such time that Association collects regular Assessments.

9.2 Special Use Fees. The Club Owner may, but is not obligated to, establish, from time to time by resolution, rule or regulation, or by delegation to an officer or agent, including the Club Manager, the power and authority to establish specific fees, dues or charges to be paid by Owners for any special services provided to, or for the benefit of an Owner, for any special or personal use of the Club, or to reimburse the expenses incurred in connection with that service or use. The sums established shall be payable by the Owner utilizing the service or facility as determined by Club Owner. Special charges against the Owners and all other fees, dues and charges, may be established, from time to time as shall be payable at such time or time(s) as the Club Owner determines.

9.3. Reserves. The Budget may, at the election of Club Owner, include one or more reserve funds for the periodic maintenance, repair and replacement of improvements to the Club. Club Owner shall have complete discretion as to whether reserves will be collected, if the collection of reserves will be terminated, and how reserves will be used (*i.e.*, Club Owner shall have the right to use reserves towards day to day expenses).

9.4. Working Capital Fund. Club Owner may, but is not obligated to, establish a working capital fund for the operation of the Club. If so, each Owner shall pay an amount equal to the sums determined to be due from that Owner. Each Owner's share of the working capital fund shall be transferred to the Club Owner at that time. The purpose of this fund is to assure that the Club Owner will have cash available to meet its obligations, unforeseen expenditures, or to acquire additional property, equipment or services deemed necessary or desirable. Amounts paid into the fund are not to be considered as advance payment of Club Charges.

9.5. Statement of Account Status. Club Owner shall prepare and maintain, or caused to be prepared and maintained, a ledger noting charges due from, and payments by, each Owner. The ledger shall be kept in the office of the Club Owner, or its designee, and shall be open to inspection by any Owner. Upon demand and payment of a reasonable charge therefor, there shall be furnished to an Owner or Lender a certificate in writing setting forth whether the Club Charges have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any charges therein stated. Each Owner and Lender waives its rights (if any) to an accounting related to Club Charges, Club Fees and/or Club Operating Costs.

9.6. Covenant. Each Owner by acceptance of title to a Home, shall be deemed to have covenanted and agreed to pay the Club Charges, including the Club Fee, its pro-rata portion of Club Operating Costs, and charges incurred in connection with the enforcement of any of the terms and

conditions hereof, including reasonable costs and attorney's and paralegal fees at all levels, including appeals, collections and bankruptcy.

9.7. Taxes. Each Owner shall pay all taxes and obligations relating to such Owner's Home which, if not paid, could become a lien against the Home superior to the lien for Club Charges created by these Covenants.

10. Creation of the Lien and Personal Obligation.

10.1. Claim of Lien. Each Owner, by acceptance of a Deed or instrument of conveyance for the acquisition of title to a Home, shall be deemed to have covenanted and agreed that the Club Charges, special use fees, and other amounts, if any, including, without limitation, the Club Fee, together with interest, late fees, costs and reasonable attorneys' and paraprofessional fees at all levels of proceedings including appeals, collection and bankruptcy, shall be a charge and continuing first lien in favor of Club Owner encumbering each Home and all personal property located thereon owned by the Owner. The lien is effective from and after recording a Claim of Lien in the Public Records stating the description of the Home, name of the Owner, and the amounts due as of that date, but shall relate back to the date these Covenants are recorded. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. All unpaid Club Charges, special use fees, and other amounts, if any, together with interest, late fees, costs and reasonable attorneys' and paraprofessional fees at all levels including appeals, collections and bankruptcy, and other costs and expenses provided for herein, shall be the personal obligation of the person who was the Owner of the Home at the time when the charge or fee became due, as well as the Owner's heirs, devisees, personal representatives, successors or assigns. If a Home is leased, Owner shall be liable hereunder notwithstanding any provision in his lease to the contrary. Such lien may be enforced by the Club Manager; however, the claim of Club Owner for Club Charges is subject to Section 10.3 below paramount to all other claims. Further, the lien created by this Section is superior to the lien of the Association.

10.2. Right to Designate Collection Agent. If Club Owner has requested at any time that Association act as Club Owner's collection agent, Club Owner may thereafter notify Association at any time in writing that it no longer wishes to have Association collect the Club Operating Costs, special use fees, and/or the Club Fees. In such event, Club Owner shall collect the Club Operating Costs, special use fees, and/or Club Fees. At any time thereafter, Club Owner may direct Association in writing to again collect such Club Operating Costs, special use fees, and/or Club Fees. Club Owner's right to designate who shall collect Club Operating Costs, special use fees, and/or Club Fees shall be perpetual.

10.3. Subordination of the Lien to Mortgages. The lien for Club Charges, special use fees, and related fees and expenses shall be subordinate to a bona fide first mortgage held by a Lender on any Home, if the mortgage is recorded in the public records prior to the Claim of Lien. The Club Claim of Lien shall not be affected by any sale or transfer of a Home, except in the event of a sale

or transfer of a Home pursuant to a foreclosure (or deed in lieu of foreclosure) of a bona fide first mortgage held by a Lender, in which event, the acquirer of title, its successors and assigns, shall not be liable for such sums secured by a Claim of Lien encumbering the Home or chargeable to the former Owner of the Home which became due prior to such sale or transfer. However, any such unpaid fees or charges for which such acquirer of title is not liable may be reallocated and assessed to all Owners (including such acquirer of title) as a part of the Club Operating Costs. Any sale or transfer pursuant to a foreclosure shall not relieve the Owner from liability for, nor the Home from the lien of any fees or charges made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent fees or charges from the payment thereof, or the enforcement of collection by means other than foreclosure. A Lender shall give written notice to Club Owner if the mortgage held by such Lender is in default. Club Owner shall have the right, but not the obligation, to cure such default within the time periods applicable to Club Member. In the event Club Owner makes such payment on behalf of a Club Member, Club Owner shall, in addition to all other rights reserved herein, be subrogated to all of the rights of the Lender. All amounts advanced on behalf of an Owner pursuant to this Section shall be added to Club Charges payable by such Owner with appropriate interest.

10.4. Acceleration. In the event of a default in the payment of Club Charges and related fees and expenses, Club Owner may accelerate the Club Charges for the next ensuing twelve (12) month period, and for twelve (12) months from each subsequent delinquency.

10.5. Non-Payment. If any Club Charges are not paid within fifteen (15) days after the due date, a late fee of \$25.00, per month, or such greater amount established by Club Owner, together with interest on all amounts payable to Club Owner in an amount equal to the maximum rate allowable by law, per annum, beginning from the due date until paid in full, may be levied. Club Owner may, at any time thereafter, bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Home, or both. No notice of default shall be required prior to foreclosure or institution of a suit to collect sums due hereunder. Club Owner shall not be required to bring such an action if it believes that the best interests of the Club would not be served by doing so. There shall be added to the Claim of Lien all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorneys' (and paralegals') fees, at all levels of proceedings, including appeals, collection and bankruptcy. Club Owner shall have all of the remedies provided herein and any others provided by law and such remedies shall be collective. The bringing of action shall not constitute an election or exclude the bringing of any other action. Liens for Club Charges under these Covenants shall be prior to the liens of Association.

10.6. Non-Use. No Owner may waive or otherwise escape liability for fees and charges provided for herein by non-use of, or the waiver of the right to use, the Club or abandonment of a Home.

10.7. Suspension. Should an Owner not pay sums required hereunder, or otherwise default,

for a period of forty-five (45) days, Club Owner may, without reducing or terminating that Owner's obligations hereunder, suspend that Owner's rights to use the Club until all fees and charges are paid current and/or the default is cured.

10.8. **Exemption.** Notwithstanding anything to the contrary herein, except as specifically provided herein, neither Declarant nor Club Owner nor any Home or property, owned by Declarant or Club Owner shall be responsible for any portion of such fees and charges.

11. **Rights to Pay and Receive Reimbursement.** Club Owner and/or Association, shall have the right, but not the obligation to pay any Club Charges which are in default and which may or have become a lien or charge against any Home. If so paid, the party paying the same shall be subrogated to the enforcement rights with regard to the amounts due. Further, Club Owner and/or Association shall have the right, but not the obligation, to loan funds and pay insurance premiums, taxes or other items of costs on behalf of an Owner to protect its lien. The party advancing such funds shall be entitled to immediate reimbursement, on demand, from the Owner for such amounts so paid, plus interest thereon at the W.S.J. Prime Rate plus 2%, plus any costs of collection including, but not limited to, reasonable attorneys' (and paralegals') fees at all levels including appeals, collections and bankruptcy.

12. **Declarant.** Declarant and Association are not the Club Owner and shall not be responsible for the Club and/or the activities of the Club Owner and, conversely, the Club Owner shall not be responsible for the activities of Declarant and Association.

13. **Covenants.** The Association and each Owner, where applicable, shall be bound by and comply with these Covenants.

14. **Rules.** Club Owner shall have the right to adopt the rules and regulations governing the use of the Club. Each Owner, and each person claiming use rights by, through or under each Owner, shall comply with the provisions of all Rules and Regulations promulgated concerning the use of the Club.

15. **Ratification.** Each Owner, by acceptance of title to a Home, and Association, ratify and confirm these Covenants and agree as follows:

15.1. **Best Interests.** It is in the best interest of each Owner, for the Community as a whole, and for property values therein, to provide for the Club to be located within the Community.

15.2. **Fairness.** The terms hereof relating to the Club and the Club Charges imposed hereby, including the Club Fee, are not unconscionable and are fair and reasonable given the nature of the Club provided and the cost thereof.

15.3. **Product Purchased.** There were significant other housing opportunities available to

each Owner in the general location of the Community, both with and without a Club. The Home, Home, and rights to utilize the Club were each material in Owners decision to purchase a Home in the Community and were, for the purposes of the ratification, considered as a "single product."

15.4. Voluntary. The decision to become an Owner was voluntary.

15.5. Disclosure. Full disclosure of the nature of the Club and obligations associated therewith was made to each Owner prior to that Owner executing a contract to purchase a Home and each Owner has, or was afforded the opportunity to, consult with an attorney.

15.6. Affiliation. The fact that the Club Owner, is, or may be, affiliated with Declarant, or that the members of the Board may be appointed, and/or employed, by Declarant is acknowledged and any conflict arising therefrom waived.

15.7. Compliance. Declarant, Association and Club Owner, have fully discharged all duties to each Owner concerning the Club including, but not limited to and without acknowledging or imposing same, any fiduciary duties imposed by law; and

15.8. Non-Exclusive License. The provisions of these Covenants do not grant any ownership rights in the Club in favor of Association or Owners but, rather, grant a non-exclusive license and membership to use the Club subject to full compliance with all obligations imposed by these Covenants.

16. Default. Should the Association fail or refuse or otherwise be excused from performance of its obligations under these Covenants, then:

16.1. Each Owner acknowledges and agrees that the Club Owner may immediately terminate the right of the Association to operate and/or manage and/or maintain the Club and may re-assume such operation and/or management and/or maintenance and/or may delegate same to others.

16.2. Each Owner shall make payments of all Club Charges directly to the Club Owner or as directed by the Club Owner.

17. Control.

17.1. Control Prior to Transfer. The Club shall be managed, operated, insured and maintained by the Club Owner, or its designee, as it deems appropriate in its sole discretion including all powers (but not necessarily imposing all duties) herein enumerated, until Club Owner, in its sole and absolute discretion, delegates all or part of the right and duty to operate, manage and maintain the Club to a third party or Association as Club Manager, if ever, as hereinafter provided. The Club shall, during such period, be under the complete supervision and control of the Club

Owner.

17.2. Club Manager. Club Owner may appoint a Club Manager to exercise such rights and perform such duties as its agent, at any time. The Club Manager shall have whatever rights hereunder as are assigned in writing to it by Club Owner. Without limiting the foregoing, the Club Manager, if so agreed by Club Owner, may file liens for unpaid Club Charges against Homes, may enforce the Rules and Regulations of the Club, and prepare the Budget for the Club.

17.3. Designation of Manager. Club Owner shall have the right, but not the obligation, in its sole discretion, to: (i) appoint Association as the Club Manager; and (ii) relinquish and/or assign to Association some or all of the rights reserved to Club Owner herein. Association shall be obligated to accept such designation and/or assignment and fulfill the obligations relating thereto without any compensation whatsoever. The Club Manager may or may not be an affiliate of the Club Owner and/or Declarant.

17.4. Management by Association. Club Owner may, at its sole discretion, and at any time as determined by Club Owner, notify Association in writing that Association shall act as the Club Manager or assume some of the responsibilities of Club Owner (e.g., landscape maintenance). In such event, Club Owner shall provide Association with a specific written list of all of Association's obligations as Club Manager. Thereafter, Association shall have the right and obligation to operate, manage, maintain and insure the Club strictly in accordance with the provisions of these Covenants and the specific written directions of Club Owner. Association shall be obligated to accept such appointment without conditions or claims. During the time that Association acts as the Club Manager pursuant to Club Owner's written direction, Association shall have all powers and duties of Club Owner assigned by Club Owner in such written direction. No surrender of operation and management of the Club by Association shall be valid unless accepted by Club Owner in writing.

17.5. Association's Duties Upon Request by Club Owner. Association covenants throughout the term of these Covenants, and any renewals or extensions hereof, at the sole cost and expense of the Owners, to operate, manage, insure, maintain and take good care of all of the components comprising the Club including, but not limited to, the land and landscaping and buildings and improvements now or at any time erected thereon and all apparatus, fixtures and building services equipment used or procured for use in connection with the operation of the Club, and to repair and maintain them in the same condition as when new, reasonable wear and tear excepted, to the extent that it is requested to do so in writing by Club Owner. At the written request of Club Owner, Association also covenants to keep the same in good order and condition, excepting reasonable wear and tear, and promptly make all necessary repairs, both to the interior and exterior thereto, including replacements or renewals when necessary, and all such repairs, replacements and renewals shall be at least equal in quality and class to the original work. In connection therewith, as and when requested by Club Owner, Association shall have, by way of illustration and not limitation, the following powers, duties and obligations:

17.5.1. If Association is acting as Club Manager pursuant to Club Owner's written direction, Association cause to be hired, paid and supervised and/or discharged, all necessary persons, firms or corporations.

17.5.2. Take such action as may be necessary to comply with all laws, statutes, ordinances, rules and regulations of all appropriate governmental and quasi-governmental authorities, insurance policies and/or guidelines, or in the event it shall terminate its present functions, those of any other body exercising similar functions.

17.5.3. Enter into contracts for all services necessary for the operation, maintenance, insurance, upkeep, repair, refurbishment, replacement and preservation of the Club.

17.5.4. Purchase equipment, tools, vehicles, appliances, goods, supplies and materials as may be necessary.

17.5.5. Cause to be placed and kept in force and perform all obligations relating to all insurance required by the terms of these Covenants.

17.5.6. Maintain financial record books, accounts and other records as concerns the Club, issue certificates of account to Owners, their Lenders and lienors, as required, without liability for errors unless as a result of gross negligence.

17.5.7. Maintain books and records sufficient to describe its services hereunder in accordance with prevailing accounting standards, so as to identify the source of all funds collect by it, and the disbursement thereof.

17.5.8. Adopt a budget which provides for funds needed for all expenses and reserves, including the Club Fee, within the budgetary year.

17.5.9. Collect all Club Charges and to enforce, with all due diligence, the provisions of these Covenants relating thereto. The Club Charges due from each Owner may, at Association's discretion, be payable to such firm or entity as it shall direct. All sums due and payable to Club Owner under the terms of these Covenants, if collected by Association, shall immediately be delivered to the Club Owner.

17.5.10. Make and collect special charges against Owners relating to the use of the Club.

17.5.11. Promulgate, adopt and amend Rules and Regulations as it deems advisable in its sole discretion for the use of the Club, and to enforce the same in its own name.

17.5.12. Retain and employ such professionals and other experts whose services may

be reasonably required to effectively perform its duties and exercise its powers hereunder and to employ the same on such basis as it deems most beneficial.

18. Financial Management. In addition to those provisions elsewhere herein on financial management, the following shall apply:

18.1. Order of Payments. From the Club Charges received by Association, Association agrees and covenants to pay and discharge, in a timely fashion, first to all Club Fees, and then to all Club Operating Costs, including charges or any nature whatsoever relating to the ownership, operation and management of the Club.

18.2. Proof of Payment. Association shall, upon payment of any sums required to be paid, and within fifteen (15) days thereafter, furnish to the Club Owner satisfactory proof of payment thereof, if requested.

18.3. Contest Taxes. Should Association desire to contest any tax, assessment or charge required to be paid, the Association may do so, PROVIDED, HOWEVER, the Association shall make reasonable provisions for the payment of all such tax, assessment or charge and such sums as required to the end that there can exist no lien, claim or lien or charge against the Club Owner or the Club, including any penalties or interest that may be imposed for the unsuccessful conclusion of such litigation or otherwise against the Club, the improvements now or hereafter thereon or the Club Owners' interest therein.

18.4. Diligence. Association shall assess, and collect with all due diligence from each Owner those items of cost and expense as set forth in these Covenants.

18.5. Liens. Association, during the terms of these Covenants, may, and shall, if requested by the Club Owner, file a lien against an Owner's Home should that Owner fail to pay Club Charges, and take such other action as appropriate, either in its name or, with the prior consent of the Club Owner, in the name of or as agent of the Club Owner.

18.6. Inspection. Association shall comply with any request to, and Club Owner shall have the power, at any time and from time to time, to review, audit, inspect, copy, etc., and seek accountings of, all books and records maintained by Association in connection with its obligations hereunder.

19. Insurance. If Association is acting as Club Manager pursuant to Club Owner's written direction, Association shall obtain all insurance required in connection with the Club in the form required by Club Owner, all of which shall name Club Owner as "Additional Insured." Club Owner shall have the right to approve every aspect of such insurance policies including, without limitation the underwriter. Association covenants that it will not permit the Club to be used for any purpose that violates any of the policies of insurance now or hereafter written covering the Club. Currently,

insurance for the Club is under Club Owner's corporate policies. In the event Club Owner notifies Association in writing, Association shall obtain insurance for the Club in such amounts as reasonably required by Club Owner.

20. **Destruction.** In case the Club, or any part thereof, shall at any time be destroyed or damaged by fire or other elements so as to be unfit for occupancy or use, then, and in that event, Club Owner shall, subject to and after receipt of adequate proceeds of the insurance maintained by Association, and unless Club Owner desires to cause the Club to be rebuilt or repaired, make such proceeds available to Association, to repair and rebuild the Club, within a reasonable time, on terms acceptable to Club Owner.

21. **Risk of Loss.** Club Owner shall not be liable for, and the Owners assume all risks that may occur by reason of, any condition or occurrence, including, but not limited to, damage to the Club on account of casualty, water or the bursting or leaking of any pipes or waste water about the Club, or from any act of negligence of any other person, or fire, or hurricane, or other act of God, or from any cause whatsoever, occurring after the date of the recording of these Covenants. Neither Association nor any Owner shall be entitled to cancel these Covenants or any abatement in Club Charges on account of any such occurrence.

22. **Compliance with Laws.** At any time Association is acting as Club Manager pursuant to Club Owner's written direction, Association shall operate, maintain, and repair the Club so as to comply with, and suffer no default under, all applicable laws, ordinances, rules, regulations insurance policies and/or guidelines, mortgages and/or encumbrances, relating to the Club or the use thereof now or hereafter in effect.

23. **Hazardous Materials.** Association: (a) shall not permit any activity to be conducted in, on or about the Club which would have the effect of polluting or in any way cause the Club to be detrimentally affected by pollutants (including elevated radon levels), toxic materials, petroleum oil and/or waste oil, or any "hazardous substance or waste." The Club shall not be used for the handling, storage, treatment, generation, transportation or disposal of pollutants, toxic materials, petroleum oil and/or waste oil, any hazardous substance or any hazardous waste, including, but not limited to, solid, liquid, gaseous or thermal irritant or contaminant, such as smoke, vapor, soot, fumes, acids, alkalis, chemicals (except for chemicals used for the pool and cleaning) or waste (including materials to be recycled, reconditioned or reclaimed); (b) shall not install, use or dispose of, on or incorporate into, the Club any asbestos or asbestos containing material; (c) except for tanks installed by Club Owner, shall not locate, replace or remove or fill any underground storage tanks on the Club; (d) shall at all times be in compliance with all applicable federal, state, county and local statutes, laws and regulations concerning or related to environmental protection and regulation.

24. **Liens.** Association shall not subject the Club to, or permit the Club to be subject to, any lien, charge, cost or expense including, but not limited to, a construction lien as contemplated by the laws of the State of Florida. Should any lien or claim of lien be filed, or should any suit or other judicial

or quasi-judicial proceeding be instituted for which Club Owner or the Club may be encumbered, liable or accountable, then in that event Association shall be in default of these Covenants, unless within ten (10) days thereafter, Association shall furnish a bond, transferring the lien to bond, in compliance with the law.

25. Alterations. In the event that Association is acting as Club Manager pursuant to Club Owner's written direction, Association will not make any alterations or changes in the Club without the prior written consent of Club Owner, which may be withheld or denied in Club Owner's sole discretion for any reason whatsoever. In the event consent is given, Association shall submit complete plans to Club Owner for approval, prior to commencement of any work. In addition, the Club Owner shall be given a complete set of "as built" of construction plans for the work. All work shall be performed, in a good and workmanlike manner, by a licensed general contractor reasonably acceptable to Club Owner. The construction shall be paid for in full by Association. All additions, fixtures and any and all other improvements excepting the Association's equipment, office furniture and movable trade fixtures that are readily removed without injury to the Club, shall be and remain a part of the Club.

26. Right of Entry. Club Owner, or its agents, may enter, inspect and view the Club at any reasonable time.

27. Defaults. The occurrence of any one or more of the following events shall constitute a material default and breach of these Covenants:

27.1. Abandonment. The vacation or abandonment of the Club by Association or Owners.

27.2. Failure to Pay. The failure by Association to make any payment required to be made hereunder to Club Owner within ten (10) days after the same is due.

27.3. Failure to Perform. The failure of Association to observe or perform any of the covenants in respect of assignment or subletting set forth herein.

27.4. Compliance with Declaration and these Covenants. The failure of Association to observe or perform any other covenant, condition or provision of the Declaration relating to the Club or these Covenants to be observed or performed by Association, unless the same is cured by Association within twenty (20) days after notice, provided, however, that notice shall not be required if the failure of Association shall be of such a nature as to expose Club Owner or the Club to irreparable injury or material and adverse risk.

27.5. Insolvency. The making by Association of any general assignment for the benefit of creditors, the filing by or against Association of a petition to have Association adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in case of a petition filed against Association, the same is dismissed within thirty (30) days),

the appointment of a trustee or receiver to take possession of substantially all of Association's assets, or the attachment, execution or other judicial seizure of substantially all or any material part of Association's assets.

28. Remedies. In the event of any such default or breach by Association, Club Owner may at any time thereafter, with or without notice or demand, and without limiting Club Owner in the exercise of any other right or remedy which Club Owner may have, at law or equity, exercise any one or more of the following additional remedies:

28.1. Terminate Association's Responsibilities. Club Owner may immediately terminate Association's ability to operate and manage the Club as Club Manager and may re-assume the sole right to operate and manage the Club. Upon receipt of such notice, the license granted to Association to occupy the Club as Club Manager shall forthwith terminate, provided, however Association shall remain liable to Club Owner as hereinafter provided. Thereafter, all payments of Club Charges shall be made directly by the Owners, to Club Owner, or its designee.

28.2. Charge the Association Interest. In the case of any such default, re-entry, expiration or dispossession, all sums then due hereunder, shall bear interest thereon at the highest rate allowed by law, until paid.

28.3. Right to Add Costs to Club Operating Costs. All damages, costs, expenses, losses, liabilities and other amounts suffered by Club Owner due to a default by Association shall be, at the direction of Club Owner, collected from Association as a separate entity, or, in the alternative, from the Owners as part of Club Charges, or a combination thereof.

28.4. Remedies Cumulative. The specific remedies of Club Owner under the terms of these Covenants are cumulative and are not intended to be exclusive of any other remedies or means of redress to which it may be lawfully entitled in case of any breach or threatened breach by Association of any provisions of these Covenants. In addition to the other remedies provided in these Covenants, Club Owner shall be entitled to enjoin, without bond, the violation of attempted or threatened violation of any of the provisions of these Covenants or obtain specific performance of any such provisions. Association hereby stipulates that such violation or attempts or threatened violation constitutes irreparable injury to Club Owner.

28.5. Attorneys Fees. In case of a default by Association if it becomes necessary for the Club Owner to enforce these Covenants or collect the charges or otherwise seek damages from Association utilizing the services of an attorney, Association will pay Club Owner all reasonable attorney's and paralegal fees incurred, including appellate and bankruptcy proceedings and collection efforts together with all costs and charges associated therewith.

28.6. Right to Cure. Club Owner may, but is not obligated to, cure any breach hereof by Association, the expense of which, together with interest at the highest rate allowed by law, shall

be paid by Owners as part of the Club Charges, upon demand. Any such charge against the Association shall be considered as charges and shall be included in any lien for charges due and unpaid.

29. Security for Association's Agreements. There is a presumption that all personal property and fixtures within the Club belong to Club Owner. In the event that Association is able to demonstrate otherwise and, to further secure payment and performance of all of Association's obligations hereunder, Association gives, grants, pledges with and assigns to Club Owner a first lien and charge upon all furniture and fixtures, goods and chattels of Association, which may be brought or put on the Club. Association agrees that such lien for the payment of the charges may be enforced by distress, foreclosure or otherwise, at the option of Club Owner. Further, Association covenants and agrees that any sums due by Association on account of such claims shall forthwith.

30. Possession. If Association shall continue to occupy the Club with or without the consent of Club Owner after the expiration of, or breach and termination of Association's rights pursuant to these Covenants, and payment of charges is accepted from Association by Club Owner, such occupancy and payment shall be construed as an extension of these Covenants for the term of one month only from the date of such expiration and occupancy and shall thereafter operate to extend these Covenants from month to month only from the date of such expiration unless other terms of such extension are made in writing and signed by the parties hereto.

31. Claims. Association shall, and does hereby, indemnify and save harmless Club Owner from and against any and all claims, suits, actions, damages and/or causes of action arising for any personal injury, loss of life and/or damage to property sustained in or about the Club during the time the Club is being operated and managed by the Association and/or by reason or as a result of the Association's operation, management, occupancy or operations therein, and from and against any orders, judgments, and/or decrees which may be entered thereon, and from and against all costs, counsel fees, expenses and liabilities incurred in and about the defense of any such claim and the investigation thereof. Association shall immediately give Club Owner notice in writing that the same are about to be incurred and Club Owner shall have the option to make the necessary investigation and employ, at the expense of the Owners, counsel of Club Owner's own selection for the defense of any such claims and expenses, etc. This indemnification shall survive termination of this Agreement.

32. Subordination/Estoppe. These Covenants and the rights of the Association and Owners to utilize the Club is and shall be subject and subordinate to: (i) any ground lease, mortgage, deed of trust, and encumbrance or renewals, modifications and extensions thereof, now or hereafter placed on the Club by the Club Owner. This provision shall be self-operative. Association, in its own name and, if authorized, as agent for all Owners, shall sign any documents confirming this subordination promptly upon request of Club Owner; and (ii) easements, restrictions, limitations, conditions of record, land use and/or zoning and other conditions of governmental authorities. Association shall, from time to time, upon not less than ten (10) days' prior written notice from Club

Owner, execute, acknowledge and deliver a written statement: (i) certifying that these Covenants are unmodified and in full force and effect (or, if modified, stating the nature of such modification, listing the instruments of modification, and certifying that these Covenants, as so modified, are in full force and effect) and the date to which the Club Charges are paid; and (ii) acknowledging that there are not, to Association's knowledge, any uncured defaults by Association, Club Owner or Owners with respect to these Covenants. Any such statement may be conclusively relied upon by any prospective purchaser of Club Owner's interest or mortgagee of Club Owner's interest or assignee of any mortgage upon Club Owner's interest in the Club. Association's failure to deliver such statement within such time shall be conclusive evidence: (i) that these Covenants are in full force and effect, without modification except as may be represented, in good faith, by Club Owner; and (ii) that there are no uncured defaults; and (iii) that the Club Charges have been paid as stated by Club Owner.

33. No Waiver. The failure of Club Owner in one or more instances to insist upon strict performance or observance of one or more of the covenants or conditions hereof or to exercise any remedy, privilege or option herein conferred upon or reserved to Club Owner, shall not operate or be construed as a relinquishment or waiver of such covenant or condition or of the right to enforce the same or to exercise such privilege, option or remedy, but the same shall continue in full force and effect. The receipt by Club Owner of any payment required to be made by Association or an Owner, or any part thereof, shall not be a waiver of any other payment then due, nor shall such receipt, through knowledge of the breach of any covenant or condition hereof, operate as, or be deemed to be a waiver of such breach. No waiver of Club Owner (with respect to Association or an Owner) shall be effective unless made by Club Owner in writing.

34. Eminent Domain. If, during the operation of these Covenants, an eminent domain proceeding is commenced affecting the Club, then in that event, the following conditions shall apply:

34.1. Complete Taking. If the whole or any material part of the Club is taken under the power of eminent domain, Club Owner may terminate these Covenants and the provisions of the Declaration relating to the Club by written notice given to Association, which notice shall be recorded in the Public Records. Should such notice be given, these Covenants and the provisions in the Declaration relating to the Club shall terminate. All damages awarded in relation to the taking shall be the sole property of Club Owner. Nothing in these Covenants shall be construed to prevent Association from claiming, in a separate action, the value of fixtures owned by Association and moving costs to the extent allowable by law.

34.2. Partial Taking. Should a portion of the Club be taken in an eminent domain proceeding which requires the partial demolition of any of the improvements located on the Club so that Club Owner determines the taking is not a complete taking, then, in such event, Club Owner shall have the option, to the extent legally possible, utilize, a portion of the proceeds of such taking for the restoration, repair, or remodeling of the remaining improvements to the Club, or to terminate

these Covenants as provided in Section 34.1 hereof. All damages awarded in relation to the taking shall be the sole property of Club Owner, and Club Owner shall determine what portion of such damages, if any, shall be applied to restoration, repair, or remodeling.

35. Ownership of the Club.

35.1. Transfer of Club. Club Owner may sell, encumber or convey the Club to any person or entity in its sole and absolute discretion at any time.

35.2. Conveyance of Club. Should Club Owner, in its sole discretion, at any time and without being obligated to do so, desire to convey the Club to Association, it may do so by Special Warranty Deed, reserving unto itself, without set off or deduction, the continuing right to receive the total of all Club Fees. The continuous payment of such Club Fee shall be secured by a mortgage and pledge of such Club Fees and the continuation of the lien rights for collection thereof. The conveyance shall be subject to easements, restrictions, reservations, conditions, limitation and declarations of record, real estate taxes for the year of conveyance, zoning and land use regulations and facts shown by an accurate survey. Association shall be deemed to have assumed and agreed to pay all service and similar contracts relating to the ownership, operation and administration of the conveyed Club. Association shall, and does hereby, indemnify and hold Club Owner harmless on account thereof. Association shall be obligated to accept such conveyance(s) without setoff, condition, or qualification of any nature. The Club and all personal property and equipment thereon and appurtenances thereto shall be conveyed in "as is, where is" condition WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF THE CLUB BEING CONVEYED. Association shall pay all costs associated with the conveyance(s).

35.3. Purchase of the Club by Association. On the first (1st) day of the sixteenth (16th) year from the recording of the Declaration and the same day of each fifth (5th) year thereafter (i.e., 1st day of 21st year, 26th year, etc.), (each, "Option Date") the Association shall have the option to acquire title to the Club. This purchase option may be exercised by a decision of the majority of the Board of Association, without the joinder or approval of any Owner or any other person and shall be subject to the following terms and conditions:

35.3.1. The purchase price shall be calculated using a capitalization rate of eight (8%) percent applied to the total annual Club Fees payable by all Owners to Club Owner on the latter of the Option Date or the date upon which Association obtains title to the Club Property pursuant to the exercise of the purchase option. The purchase price shall be paid in cash or by federal wire transfer, at closing.

35.3.2. The Association shall exercise the Option not later than one hundred eighty (180) days prior to the Option Date, by written notice to Club Owner ("Option Notice").

Failure to exercise the Option, as required above, shall be deemed an irrevocable election not to exercise the Option for the next ensuing Option Date and the Option applicable to that Option Date shall terminate.

35.3.3. The Closing shall occur on the Option Date in the offices of counsel to the Club Owner.

35.3.4. At Closing, the Club shall be conveyed to the Association by Special Warranty Deed. The conveyance shall be subject to easements, restrictions, reservations, conditions, limitations and declarations of record, real estate taxes for the year of conveyance, zoning, land use regulations and survey matters. The Association shall be deemed to have assumed and agreed to pay all continuing obligations and service and similar contracts relating to the ownership, operation, maintenance and administration of the Club. The Association shall, and does hereby, indemnify and hold Club Owner harmless on account thereof. The Association shall be obligated to accept such conveyance without setoff, condition, or qualification of any nature. The Club, personal property and equipment thereon and appurtenances thereto shall be conveyed in "as is, where is" condition WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF BEING CONVEYED. The Association shall pay all costs associated with the conveyance(s).

35.4. Early Purchase of the Club by Association. Notwithstanding the foregoing, Association may request to purchase the Club from Club Owner at an earlier time than the Option Date. Offer to purchase may be made by a decision of the majority of the Board of Association, without the joinder or approval of any Owner or any other person. Club Owner shall have no obligation to sell the Club, and any purchase price shall be subject to the approval of Club Owner, in its sole and absolute discretion. If Association wishes to purchase the Club, based upon a decision of the majority of the Board of the Association, the Board shall give notice to Club Owner (without the joinder or approval of any Owner or any other person), and within thirty (30) days of receipt thereof, Club Owner will inform the Board of the price which is acceptable to Club Owner as of the date of such notice, which price shall be set in Club Owner's sole discretion. If such price is acceptable to the Board, or if Club Owner and the Board negotiate a mutually acceptable price which a majority of the Board of the Association agrees to, the transfer of the Club and payment therefor shall proceed pursuant to a purchase and sale agreement approved by the Board (without the joinder or approval of any Owner or any other person) and Club Owner. Club Owner shall have the right to refuse any offer in its sole discretion.

36. Consent to Trial by Court. The respective parties hereto shall and hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other relating to any matters whatsoever arising out of or in any way connected with the provisions of the Declaration relating to the Club, these Covenants or the Owners or the Association's use or occupancy of the Club.

37. Savings Clause. It is understood and agreed that should any part, term, sentence, clause or provision of these Covenants be declared by the courts to be invalid, the validity of the remaining portions shall not be affected thereby.

38. Amendment. Notwithstanding any other provision herein to the contrary, no amendment to these Covenants shall affect the rights of Declarant or Club Owner unless such amendment receives the prior written consent of Declarant or Club Owner, as applicable, which may be withheld for any reason whatsoever. No amendment shall alter the provisions of these Covenants benefitting Lenders without the prior approval of the Lender(s) enjoying the benefit of such provisions. No amendment shall be effective until it is recorded in the Public Records. Prior to the date that any third party owns the Club, Club Owner shall have the right to amend these Covenants as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Club Owner's right to amend under this provision is to be construed as broadly as possible. By way of example, Club Owner may terminate these Covenants (and all rights and obligations hereunder) in the event of partial or full destruction of the Club. Further, Club Owner may elect, in Club Owner's sole and absolute discretion, to subject property outside of The Properties to these Covenants by amendment recorded in the Public Records. Likewise, Club Owner may elect, in Club Owner sole and absolute discretion, to remove portions of the Properties from the benefit and encumbrance of these Covenants by amendment recorded in the Public Records.

39. Notices. Any notice required to be sent to any person, firm, or entity under the provisions of these Covenants shall be deemed to have been properly sent when mailed, postpaid, to the last known address at the time of such mailing.

40. Florida Statutes. Whenever these Covenants refer to the Florida Statutes, they shall be deemed to refer to the Florida Statutes as they exist on the date the Covenants are recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

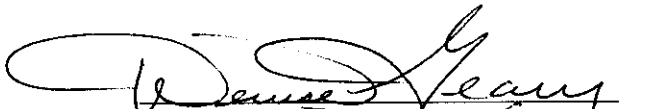
41. Headings. The headings within these Covenants are for convenience only and shall not be used to limit or interpret the terms hereof.

42. Term. The terms of these Covenants shall be covenants running with the Properties in perpetuity. Every portion of the Properties which can be improved with a Home shall be burdened with the payment of Club Charges. These Covenants including, without limitation, the obligation to pay Club Charges, shall run with the land. Every Owner, by acceptance of a Deed to any Home, shall automatically assume and agree to pay all Club Charges which shall be due and payable as of the date of such Deed and which shall become due and payable thereafter on account of the membership in the Club pertaining to the property belonging to such Owner.

NOW THEREFORE, the Club Owner, has set its signature and seal below.

WITNESSES:

LENNAR HOMES, INC., a Florida corporation


 Print Name: Denise Geary

By: 


 Print Name: THOMAS DRUMM

Name: Mark Shevory

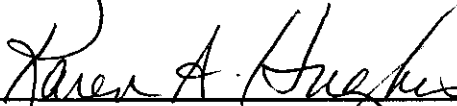
Title: Vice President

{SEAL}

STATE OF FLORIDA)
) SS.:
 COUNTY OF Lee)

The foregoing instrument was acknowledged before me this 23rd day of Feb., 2000
 by Mark Shevory as Vice President of Lennar Homes, Inc., a Florida corporation, who is personally
 known to me or who has produced _____ as identification.

My commission expires: _____



NOTARY PUBLIC, State of Florida
 at Large

Print name: _____



Silverlakes-Gateway
 Club Covenants
 February 17, 2000

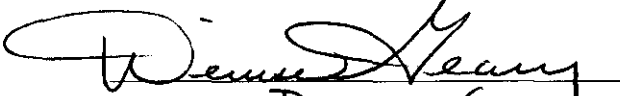
JOINDER

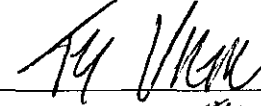
SILVERLAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC.

SILVERLAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC. does hereby join in the document to which this Joinder is attached, and the terms thereof are and shall be binding upon the undersigned and its successors in title.


IN WITNESS WHEREOF, the undersigned has executed this Joinder on this 23rd day of February, 2000.

WITNESSES:


 Print Name: DENISE GENTRY


 Print Name: Ty Vigil, CAM

**SILVERLAKES-GATEWAY
HOMEOWNERS ASSOCIATION, INC., a
Florida not for profit corporation**

By: 
 Name: V McChesney
 Title: President

{SEAL}

STATE OF FLORIDA)
) SS.:
 COUNTY OF Lee)

The foregoing instrument was acknowledged before me this 23rd day of February, 2000 by Valerie McChesney as President of SILVERLAKES-GATEWAY HOMEOWNERS ASSOCIATION, INC., a Florida corporation, who is personally known to me or who produced _____ as identification, on behalf of the corporation.

My commission expires:


 NOTARY PUBLIC, State of Florida
 at Large

Print name: _____



Restated Declaration
 Silverlakes-Gateway
 February 21, 2000

EXHIBIT A
LEGAL DESCRIPTION
OF SILVERLAKES-GATEWAY

All of the property as shown on **GATEWAY PARCEL 23 PHASE 1**, according to the Plat thereof, recorded in Plat Book 53 at Page 63 in the Public Records of Lee County, Florida.

All of the property as shown on **GATEWAY PARCEL 23 PHASE 2 NORTH**, according to the Plat thereof, recorded in Plat Book 61 at Page 74 in the Public Records of Lee County, Florida.

All of the property as shown on **GATEWAY PARCEL 23 PHASE 2 SOUTH**, according to the Plat thereof, recorded in Plat Book 65 at Page 45 in the Public Records of Lee County, Florida.

EXHIBIT B
LEGAL DESCRIPTION
OF CLUB PROPERTY

Tract G as shown on **GATEWAY PARCEL 23 PHASE 1**,
according to the Plat thereof, recorded in Plat Book 53 at
Page 63 in the Public Records of Lee County, Florida.
JOINDER