

# STONEGATE HOA, INC.

*Constituent Documents*

## DECLARATION OF COVENANTS AND RESTRICTIONS FOR STONEGATE

(original as retyped)

## BYLAWS OF STONEGATE HOMEOWNERS ASSOCIATION, INC.

(original as retyped)

## RULES & REGULATIONS FOR STONEGATE HOA

## STONEGATE HOMEOWNER'S ASSOCIATION ARCHITECTURAL DESIGN AND LANDSCAPE POLICIES, GUIDELINES AND REQUIREMENTS FOR STONEGATE OF WELLINGTON P.U.D.

(original as retyped)

2477 STONEGATE DRIVE  
WELLINGTON FL 33414

DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR  
STONEGATE

THIS DECLARATION is made this 30<sup>th</sup> day of August, 1989, by MEADOWLAND DEVELOPMENT CORP., a Florida corporation (hereinafter referred to as "Developer"), which declares that the real property described in Article II, which is owned by Developer, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I  
DEFINITIONS

The following words when used in this Declaration and in its exhibits, including the Articles of Incorporation and Bylaws (unless the context shall prohibit) shall have the following meanings:

1.1 "ARB" means the Architectural Review Board, the member of which shall be appointed by the Board. The ARB shall be a committee of the board.

1.2 "Articles" means the Articles of Incorporation of the Association attached hereto as Exhibit "A," as same may be amended from time to time.

1.3 "Assessment" means the share of funds required from each Owner for the payment of Common Expenses. The term "Assessment" includes Regular Assessments, Special Assessments, and Limited Assessments.

1.4 "Association" means STONEGATE HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, which is to be incorporated, its successors and assigns.

1.5 "Board" means the Board of Directors of the Association.

1.6 "Bylaws" means the Bylaws of the Association attached hereto as Exhibit "B," as same may be amended from time to time.

1.7 "Common Areas" means all real property, together with all easements appurtenant thereto, owned by the Association and designated for the use and benefit of Owners, and such additional parcels of land as may from time to time be designated by Developer as Common Areas under these covenants and restrictions, each such designation to be by recorded instrument. The term "Common Areas" shall also include any improvements within the Common Areas, including but not limited to landscaping, recreational facilities, street lights, sidewalks, drainage structures, entrance features and Private Streets. Developer shall have the right, subject to obtaining all required governmental approvals and permits, to construct on the Common Areas such facilities as Developer deems appropriate. The timing and phasing of all such construction shall be solely within the discretion of Developer.

1.8 "Common Expenses" means all expenditures made by the Association and all financial liabilities of the Association, including any Assessments levied from time to time by the Community Association, together with any allocation to reserves. Common Expenses are to be borne equally by each Owner and shall be a proportionate share of the aforesaid total expenditures of the Association.

1.9 "Community Association" means First Wellington, Inc., a Florida nonprofit corporation, its successors and assigns.

1.10 "Declaration" means these covenants and restrictions, the exhibits hereto, and such amendments as may be duly adopted from time to time pursuant to the terms hereof.

1.11 "Developer" means Meadowland Development Corp., a Florida corporation licensed to transact business in Florida, and its successors and assigns. Meadowland Development Corp. shall at all times have the right to specifically

assign its interest and rights as Developer to any successor or nominee. An assignee for purposes hereof shall include an Institutional Mortgagee acquiring the rights of the Developer by foreclosure or by deed or assignment in lieu of foreclosure.

1.12 "First Wellington Documents" means collectively the Articles of Incorporation and Bylaws of First Wellington, Inc., as amended and restated from time to time and recorded among the Public Records of Palm Beach County, Florida.

1.13 "Home" means any single family residential dwelling constructed or to be constructed on or within a Lot.

1.14 "Institutional Mortgagee" means any bank, savings and loan association, insurance company, FHA approved mortgage lender, any agency of the United States government, any lender generally recognized in Palm Beach County, Florida, as an institutional-type lender, the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC) or any other business entity which holds a first mortgage encumbering title to a Lot.

1.15 "Limited Assessment" means an amount assessed against and payable by an Owner or group of Owners as provided herein (including, without limitation, "fines") but which does not relate to Common Expenses payable generally by all Owners.

1.16 "Lot" means and refers to any Lot on the various plats or portions of the Property, any Lot shown upon any re-subdivision of any such plat, and any other property hereafter declared as a Lot by the Developer and made subject to this Declaration. The Developer reserves the right to adjust the boundary lines between Lots at any time; provided, however, that if at the time of such adjustment fee simple title to either Lot which abuts the boundary to be adjusted is owned of record by a party or parties other than the Developer, the consent of said party or parties must be obtained for said boundary adjustment.

1.17 "Owner" means the record owner, whether one or more persons of the fee simple title to a Lot.

1.18 "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

1.19 "Private Streets" means the streets shown as Road Rights of Way on the Plat of STONEGATE OF WELLINGTON, P.U.D. as recorded in Plat Book 62, Pages 184 and 185 of the Public Records of Palm Beach County, Florida, and any additional platted private streets which may be designated by the Developer by recorded instrument to be subject to the Declaration.

1.20 "Property" means all the existing real estate, and any additions thereto, which is now or hereafter made subject to this Declaration. The Property shall be commonly known as "Stonegate."

1.21 "Regular Assessment" means any Assessment imposed against all Owners equally for the Common Expenses of the Association which are included in the Association's annual budget. Regular Assessments may be collected monthly, quarterly, or semi-annually, as the Association may elect.

1.22 "Rules" means any rules or regulations duly adopted by the Association in accordance with the Bylaws, and any rules or regulations adopted by the ARB, all as may be amended from time to time.

1.23 "Special Assessment" means an Assessment imposed against all Owners equally for an expense which is not contained in the Association's budget.

## ARTICLE II

### PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

2.1 Legal Description. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Palm Beach County, Florida, and is more particularly described as STONEGATE OF WELLINGTON, P.U.D. according to the Plat thereof recorded in Plat Book 62, at Page 184 and 185 of the Public Records of Palm Beach County, Florida.

The Developer may from time to time bring other land under the provisions of this Declaration by recording in the Public Records of Palm Beach County, Florida, an amendment hereto executed with the formalities of a deed. Said land shall be added to the Property and shall be subject to this Declaration upon the recording of such amendment. It shall not be necessary for the Developer to obtain the consent or approval of any other Person (including, without limitation, Owners or the Association) prior to the addition of land to the Property subject to this Declaration.

2.2 Merger and Consolidation. Upon a merger or consolidation of the Association (or any successor association) with any other association as provided in the Articles, the properties, rights and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Property together with the covenants and restrictions established upon any other property as one scheme. No merger or consolidation of the Association, however, shall result in a revocation, change or addition to the covenants established by this Declaration and affecting the Property.

## ARTICLE III

### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.1 Membership. Every Owner shall be a member of the Association. Notwithstanding anything else to the contrary set forth in this Declaration, any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member of said Association.

3.2 Voting Rights. The Association shall have two (2) classes of voting membership.

3.2.1 Class A. Class A members shall be all those Owners except the Developer (as long as the Class B membership shall exist and, thereafter, the Developer shall be a Class A member to the extent it would otherwise qualify). Each Class A member shall be entitled to one (1) vote for each Lot in which it holds a fee simple interest. When more than one (1) Person holds a fee simple interest in a Lot, all such Persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

3.2.2 Class B. The Class B member shall be the Developer. The Class B member shall be entitled to one (1) vote for each Lot owned by it, plus two (2) votes for each vote which the Class A members are entitled to cast from time to time. The Class B membership shall cease and terminate upon the sale of seventy-five (75%) percent of the lots, whereupon the Class A members shall be obligated to elect the Board and assume control of the Association.

## ARTICLE IV

### PROPERTY RIGHTS IN THE COMMON AREAS

4.1 Ownership. The Common Areas shall be conveyed to the Association for the joint and several use, in common, of the Owners of all Lots that may from time to time constitute part of the Property in the manner specified herein. Within thirty (30) days after the recording of this Declaration, the Developer, or its successors and assigns, shall convey and

transfer the record fee simple title to the Common Areas (except those areas lying within dedicated areas or not capable of being legally described) to the Association, and the Association shall accept such conveyance, holding title for the Owners as stated in the preceding sentence. Beginning upon the date these covenants are recorded, the Association shall be responsible for the maintenance of all Common Areas (whether or not conveyed or to be conveyed to the Association), in a continuous and satisfactory manner without cost to the general taxpayers of Palm Beach County. It is intended that all real estate and personal property taxes levied against the Common Areas shall be proportionately assessed against and payable as part of the taxes of the Lots within the Property. However, in the event that any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment of same, including taxes on any improvements and any personal property thereon accruing from and after the date these covenants are recorded, and such taxes shall be prorated between Developer and the Association as of the date of such recordation. All real estate and personal property taxes assessed against all Lots and Homes shall be the responsibility of the respective Owner from and after the date this Declaration is recorded. Such taxes shall be prorated between the Developer and the Association as of the date of such recordation.

4.2 Owners' Easements. Each Owner and the tenants, agents and invitee of each Owner shall have a permanent and perpetual easement for the use of all Common Areas in common with all other Owners, their tenants, agents and invitee, subject to the following:

4.2.1 The right and duty of the Association to levy Assessments against each Lot for the purposes set forth in the Declaration, Articles, and Bylaws, including without limitation, the purpose of maintaining the Common Areas in compliance with the provisions of this Declaration and any other existing restrictions or any restrictions which may from time to time be recorded by the Developer.

4.2.2 The right of the Association to adopt and enforce Rules governing the use of the Common Areas.

4.2.3 The right of the Association to suspend an Owner's voting rights and right to use the Common Areas: (i) during any period in which any Assessment of such Owner remains unpaid after thirty (30) days from its due date; and (ii) for a period not to exceed sixty (60) days for any violation of any other provisions of the Declaration, Articles, Bylaws or Rules.

4.2.4 The terms and conditions of the Declaration, Articles, Bylaws and Rules.

4.2.5 The rights of the Developer provided in the Declaration, Articles, and Bylaws.

4.3 Easements Appurtenant. Each Owner's easements in the Common Areas shall be appurtenant to and shall pass with the title to his Lot.

4.4 Developer's Rights in Common Areas. The Developer shall have the right to enter upon and use the Common Areas as long as it is a member of the Association. The Developer shall have the right to use the Common Areas to transact any business, including, but not limited to, the right to maintain model Homes, have signs, employees in the offices, use the Common Areas for construction and sales, parking and storage purposes, display Homes and Lots and grant and reserve easements as may be necessary for such purposes. Sales offices, signs, and all sales and promotional items shall remain property of the Developer.

ARTICLE V

MAINTENANCE OBLIGATIONS OF THE ASSOCIATION

5.1 Maintenance. The Association shall at all times maintain in good repair, and shall replace as often as necessary (unless such maintenance, repair and replacement is the responsibility of or is provided by some utility or governmental authority), any and all improvements situated on the Common Areas (upon completion of construction by the Developer), including, but not limited to, all recreational facilities, landscaping, sprinkler system, paving, signage, and drainage structures; all such work to be done as ordered by the Board. Maintenance of street lighting fixtures, if any, shall include and extend to payment for electricity consumed for their illumination. Without limiting the generality of the foregoing,

the Association shall assume all of Developer's responsibility to Palm Beach County and applicable governmental authorities of any kind with respect to the Common Areas and hold Developer harmless with respect thereto. All expenses incurred by the Association in the maintenance of the Common Areas shall be paid for by the Association with the Assessments collected from the Owners; except that in the event the need for maintenance, repair or replacement is caused through the willful or negligent act of an Owner, his family, guests or invitee, the cost of such repairs or replacement shall be the responsibility of said Owner and may be added to or become a part of the Assessment to which said Owner is subject. Such liability of the Owner shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of a Lot or Home or its appurtenances or of the Common Areas.

5.2 Private Streets. The Association shall be responsible for the maintenance, care and operation of the Private Streets, including maintenance of the paved roadway surface, adjacent storm drainage facilities, landscaping, and street signs.

5.3 Additional Maintenance Services. The Association shall have the option to provide or cause to be provided certain additional services to Owners, including, without limitation, garbage and trash removal, street lighting, security service, exterior Home maintenance, and such other services of common interest that the Association may deem necessary or desirable. Such additional services may be provided by the Association upon the vote of two-thirds (2/3) of the votes cast by the members of the Association at a duly convened meeting of the Association. The cost of any additional services provided by the Association shall be a Common Expense assessed against the Owners.

5.4 Surface Water Management System. The Acme Improvement District shall be responsible for the maintenance and operations, including chemical treatment, if necessary, of the surface water management system, including the chemical treatment of such surface water bodies, if applicable. No amendment to this Section, or otherwise to this Declaration, which would affect the surface water management system, shall be made without the prior approval of the Acme Improvement District.

## ARTICLE VI

### MAINTENANCE OBLIGATIONS OF THE OWNER

6.1 Maintenance. Each Owner shall at all times keep and maintain in good order, condition and repair, its Home and Lot, its equipment and appurtenances, and shall perform promptly all maintenance, replacement, and repair work, whether structural or nonstructural, ordinary or extraordinary, so as to keep each Home and Lot in a good state of repair and in conformity with the aesthetic standards required from time to time by the ARB and the Association. In addition, each Owner shall maintain his Lot in a manner and with such frequency so as to keep such areas in a good state of repair and in conformity with the aesthetic standards required from time to time by the ARB and the Association. Such maintenance shall include trees, shrubs, grass, and all other landscaping located on the Lot.

6.2 Home Exterior Maintenance. The maintenance of the exterior of each Home and Lot is the responsibility of the Owner, including but not limited to, repainting, roof repair, re-paving, and maintenance and replacement of any exterior appurtenances (including any appurtenances adjacent to waterfront Lots, if permitted by the First Wellington Documents), accessories, and decorative features such as awnings, shutters, decks, pools or spas and walkways or driveways within the Lot, maintenance of all landscaping, shrubbery, trees and grassed areas. The exterior maintenance is to be accomplished in a manner such that the character of the Property is maintained in conformity with the aesthetic standards required from time to time by the ARB and the Association. The color, quality and design of all paint, fencing, walls, mailboxes and all roof materials shall be approved by the ARB which shall attempt to establish uniformity and maintain the aesthetic quality of the Property.

6.3 Failure to Maintain. In the event an Owner fails to maintain his Home and Lot as required above, the Association or Developer shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions; or the Association shall have the right to assess the Owner of the Lot for the necessary sums to put the Home and Lot in good condition. After such Assessment, the Association shall have the right to have its employees or agents enter the Home and Lot and do the necessary work to enforce compliance with the above provisions. Further, in the event an Owner violates any provision of this section, the Developer and the Association shall have the right to take any and all

such steps as may be necessary to remedy such violation, including, but not limited to, entry upon the subject Lot with or without the consent of the Owner, and the repair and maintenance of any item requiring same, all at the expense of said Owner. No alteration or destruction of any structure on a Lot shall be undertaken by the Association without prior judicial action unless the condition requiring such action constitutes an emergency threatening the health or safety of other Owners.

## ARTICLE VII

### EASEMENTS AND AGREEMENTS

7.1 Easements. Each of the following easements over, under and across the entire Property is a covenant running with the Land, and notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with its proper and intended use and purpose.

7.1.1 Utility Easements. The Developer hereby grants to all utility companies, a perpetual easement in gross over the Lots and the Common Areas for the installation and maintenance of all underground water lines, sanitary sewers, storm drains, gas lines, and electric and telephone lines, cables and conduits, as are necessary to service the Property. Any utility easements hereby granted over a Lot shall not affect any permanent structures constructed on such Lot, nor unreasonably interfere with the Owner's use and enjoyment of such Lot. The area of each Lot covered by an easement shall be maintained by the Owner of the Lot, but the Owner shall not be required to maintain any utility installation for which a public authority or utility company is responsible. Any damage to pavement, driveways, drainage structures, other structures or landscaping resulting from the installation or maintenance of utilities shall be promptly restored or repaired by the utility company whose installation or maintenance caused the damage. All utilities within the Property shall be installed and maintained underground.

7.1.2 Public Easements. The Developer hereby grants to fire, police, health, sanitation, and all other public service personnel and vehicles a permanent and perpetual easement in gross for ingress and egress over and across the Common Areas and the Lots.

7.1.3 Developer's Easements. The Developer hereby reserves for itself, its successors and assigns, an easement across the Lots and the Common Areas for the purpose of constructing improvements on the Lots and Common Areas and carrying on development and sales activities. The Developer further reserves for itself, its successors and assigns, the right to grant easements across the Lots and the Common Areas for the installation and maintenance of sprinkler systems, cable television systems, and any other facilities which the Developer may wish to install in connection with the development of the Property.

7.1.4 The Association's Easement. For the purposes of performing the duties and obligations of the Association and determining the compliance of any Owner with the Declaration, Articles, Bylaws and Rules, the Association, through its duly authorized agents, employees, and independent contractors, shall have the right, after reasonable notice to any Owner, to enter upon any Lot at reasonable hours of any day to perform such duties, obligations, and inspection, to provide maintenance to said Lot, or to obtain access to another Lot to which maintenance is to be supplied.

7.1.5 Pedestrian and Vehicular Traffic Easement. The Developer hereby grants easements for pedestrian traffic over, upon, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, upon the Common Areas; and for the vehicular traffic over, upon, through and across such portions of the Common Areas as may from time to time be paved and intended for such purposes, the same being for the use and benefit of the Owners of Lots and Homes, their respective successors, guests and invitee.

7.1.6 Unintentional and Non-Negligent Encroachments Easement. In the event that any Home shall encroach upon any Common Area for any reason not caused by the purposeful or negligent act of the Home Owner or agents of such Owner, then an easement appurtenant to each Home shall exist for the continuance of such encroachments on and to the Common Areas for so long as such encroachments shall naturally exist; and, in the event that any portion of the Common Areas shall encroach upon any Home or Lot, then an easement shall exist for the continuance of such encroachment of the Common Areas into any Home or Lot for so long as such encroachment shall naturally exist.

7.1.7 Easements of Record. It is recognized that the Property may be subject to restrictions, reservations, and easements which have been placed on record prior to the recording of this Declaration.

7.2 Water and Sewer Agreements. Those certain Water and Sewer Agreements with Acme Improvement District shall subject the Property to the following restriction:

Acme Improvement District, hereinafter "Utility," or its successors, has the sole and exclusive right to provide all water and sewer facilities and services to the Property and to any property to which water and sewer service is actually rendered by Utility. All occupants of any Home erected or located on the Property, and all subsequent or future Owners or purchasers of the Property, or any portion thereof, shall receive their water and sewer services from the aforesaid Utility, or its successors, and shall pay for the same in accordance with the terms, conditions, tenor and intent of the described Water and Sewer Agreements for so long as the aforesaid Utility, or its successors, provide such services, or either of them, to the Property; and all occupants or any Homes on the Property, and all subsequent or future Owners or purchasers of the Property, or any portion thereof, agree, by occupying any Home on the Property, or by recording any deed of conveyance with respect to the Property, that they will not construct, dig, build or otherwise make available or use water and sewer service from any source other than that provided by Utility. However, there is excluded from this restriction any water well or water source used solely and exclusively for the purpose of supplying water for air conditioning or irrigation on the Property.

## ARTICLE VIII

### ASSESSMENTS

8.1 Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay the Assessments to the Association. The Assessments shall be fixed, established and collected as herein provided. Each Assessment, together with interest and costs of collection (as hereinafter provided), shall be a continuing lien upon the Lot against which such Assessment is made. Each Assessment, together with interest and costs of collection (as hereinafter provided), shall also be the personal obligation of all Owners of such Lot from time to time. All Assessments shall be assessed by the Association against all Lots equally, unless otherwise provided herein. No Owner may waive or otherwise escape liability for the Assessments by non-use of the Common Areas or abandonment of his right to use the Common Areas.

8.2 Purpose of Assessment. The Association shall have the irrevocable right and power to make and collect Assessments in order to carry out the purposes, obligations, powers and rights and duties of the Association provided for in the Declaration, Articles, Bylaws and Rules. All Assessments shall be used by the Association for the maintenance obligations set forth in Articles V and VI above, the operation of the Association, capital improvements, and for such other purposes as the Association deems appropriate. Notwithstanding anything herein to the contrary, the Association shall have no right to levy or collect any Assessment for the purpose of paying any judgment or claim (including, without limitation, claims for personal injuries) entered against the Association.

8.3 Capital Improvements. Funds necessary for capital improvements and expenditures relating to the Common Areas which are not included in the annual budget of the Association, may be levied by the Association as Special Assessments, upon approval by the majority of the Board and upon approval by two-thirds (2/3) of the votes cast by members of the Association present in person or by proxy at a duly convened meeting of the Association.

8.4 Commencement and Due Dates of Assessments.

8.4.1 Regular Assessments shall commence on the first day of the month following the recordation of this Declaration. Regular Assessments shall be assessed annually and shall be payable in quarterly installments unless otherwise determined by the Board. The Regular Assessment shall be for a twelve (12) month period ending December 31<sup>st</sup>, unless otherwise provided in the Bylaws. The amount of the annual Regular Assessment to be levied during any period shorter than a full fiscal year shall be in proportion to the number of months remaining in such fiscal year.



8.4.2 The due date of any Special Assessment shall be fixed by the Board resolution authorizing such Special Assessment.

8.5 Working Capital Fund. At the closing of the title of each Lot sold by Developer, the purchaser of the Lot, thereby becoming an Owner, shall pay a one (1) time charge of One Hundred Dollars (\$100.00) to the working capital fund of the Association. Each Owner shall pay the \$100.00 charge on each Lot acquired by such Owner. All contributions to the working capital fund shall be held by the Association for Common Expenses and for such other common purposes as the Association deems appropriate. The one (1) time \$100.00 charge under this Section shall not be considered as an advance payment of any Assessment.

8.6 Duties of the Board. The Board shall fix the amount and the due dates of the Regular Assessment against each Lot for each fiscal year at least thirty (30) days in advance of the Association's fiscal year. The Board shall send written notice of the amount and due dates of the Regular Assessment (or the first installment thereof) is due and payable. The Regular Assessment shall not increase by more than ten (10%) percent during any one fiscal year. The Board shall prepare a roster of the Assessments applicable to each Lot which shall be kept in the office of the Association and shall be open to inspection by any Owner at reasonable times.

8.6.1 The Association shall upon demand at any time furnish to any Owner who is liable for an Assessment, a certificate in writing signed by an officer of the Association, setting forth whether such Assessment has been paid. Such certificate shall be conclusive evidence of payment to the Association of any Assessment stated therein to have been paid. At least once each calendar year, the Board shall prepare in summary form a financial report of the Association which shall be open to inspection by Owners at reasonable times, and which shall also be available to any Institutional Mortgagee upon written request.

8.6.2 The Association, through the action of the Board, shall have the power, but not the obligation, to enter into an agreement or agreements with one or more Persons for such management and operational services as the Association deems appropriate, the cost of which shall be included in the budgetary calculations of the Association in determining Assessments. Such management services may include, without limitation, the collection of Assessments, maintenance and repair of Common Areas, and such other services as the Board may feel is necessary or desirable.

8.7 Effective of Nonpayment of Assessments. If any Assessments are not paid on the date when due, then such Assessments shall become delinquent and shall, together with interest and costs of collection (as hereinafter provided), become a continuing lien on the Lot against which the Assessment was levied. The lien for an Assessment shall encumber a Lot in the hands of the Owner owing the Assessment, his heirs, devisee, personal representative, successors and assigns. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter up to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by grantee therefor.

8.8 Remedies of the Association. If the Assessment is not paid within ten (10) days after the due date, the Assessment shall bear interest at the highest rate permitted by law. The Association may bring an action at law against the Owner personally obligated to pay the Assessment and shall be permitted to record a Claim of Lien against the Lot, Home and tangible personal property located upon or within said Home for which the Assessment is unpaid, and to foreclose (in a similar manner as foreclosures of mortgages) the lien against the Lot on which the Assessment is unpaid. The Association may pursue one or more of its remedies at the same time or successively. There shall be added to the amount of an Assessment all attorneys' fees and costs incurred by the Association in the collection of such Assessment, whether or not suit is filed to collect such Assessment. In the event a judgment for an Assessment is obtained by the Association, such judgment shall include interest on the Assessment as provided herein and a reasonable attorneys' fee to be fixed by the court together with the costs of the action together with all sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens, or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien. It shall be the legal responsibility of the Association to enforce payment of the Assessments. All payments upon account shall be first applied to interest and then to the Assessment payment first due. In addition to the rights of collection of Assessments stated in this Article VIII, any and all persons acquiring the title to or to the interest in a Lot as to which the Assessment is delinquent, including, without limitation, persons acquiring title by operation of law and by judicial sale, shall not be entitled to the occupancy of such Lot or the

enjoyment of the Common Areas until such time as all unpaid and delinquent Assessments due and owing from the selling Owner have been fully paid, and no sale or other disposition of Lots shall be permitted until an estoppel letter is received from the Association acknowledging payment in full of all Assessments and other sums due; provided, however, the provisions of this sentence shall not be applicable to the Institutional Mortgagees and purchasers contemplated by Subsection 8.9 of this Article. In addition to all of the remedies of the Association as aforesaid, if an Owner shall be in default in the payment of any Assessment or an installment of any Assessment, the Board may accelerate the remaining installments (if any) for the fiscal year upon notice thereof to such Owner and, thereupon, the unpaid balance of the Assessment shall become due upon the date stated in the notice but not less than ten (10) days after delivery of or the mailing of such notice to the Owner.

8.9 Subordination of the Lien to Mortgages. The lien for Assessments shall be subordinate to tax liens and to the lien of any first mortgage of any Institutional Mortgagee encumbering a Lot. An Institutional Mortgagee in possession, or any receiver, or any Institutional Mortgagee who acquires title at a foreclosure sale, or by deed in lieu of foreclosure, shall only be held responsible for payment of any Assessments subsequent to the date upon which possession and/or title is so obtained. Any unpaid Assessment which cannot be collected as a lien against a Lot by reason of this Section shall be deemed to be an Assessment divided equally among, payable by, and a lien against all Lots, including the Lot as to which the foreclosure or conveyance in lieu of foreclosure took place.

8.10 Foreclosure. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an Assessment lien and to apply a cash credit against its bid equal to all sums due the Association covered by the lien being foreclosed.

8.11 Limited Assessment. The Association, by and through the Board, may from time to time make Limited Assessments against certain Lots without respect to other Lots within the Property, when it appears in the discretion of the Board that the cost of insurance, maintenance, repair, replacement or protection of a Home or Lot is in excess of that generally required of other Homes or Lots within the Property or when such costs, attributable to a Home or Lot and the obligations of the Owner, are paid by the Association as a consequence of such Owner's failure to pay therefor. An Institutional Mortgagee who acquires title at a foreclosure sale, or by deed in lieu of foreclosure shall not be responsible for a Limited Assessment levied prior to such acquisition of title unless such Institutional Mortgagee consents to and approves such Limited Assessment in writing.

8.12 Effect on Developer. Notwithstanding any provisions to the contrary that may be contained in this Declaration, for as long as the Developer is the Owner of any Lot(s), the Developer shall fund any deficit in the Association's operating budget through December 31, 1989, at which time the Developer will then be liable for Assessments against such Lot(s).

8.13 Community Association Assessment. The Property is subject to the First Wellington Documents. The Community Association was created in order to provide for the maintenance, preservation and architectural control of all property subject to said First Wellington Documents and to assure compliance with same with the power to levy assessments and to defray expenses incurred in the furtherance of the stated purpose. Each Owner of a Lot, by accepting a deed therefore, shall become a member of the Community Association and shall be subject to Assessment by the Community Association. At the closing of title of each Lot, the Owner thereof shall pay a pro rata share of any Community Association Assessment for the year in which the Owner takes title to such Lot. Thereafter, the Community Association shall bill each Owner in January for the Community Association Assessment. The Community Association Assessment shall be due and payable upon receipt of the bill therefore. The terms and conditions of the First Wellington Documents are by this reference incorporated herein and made a part hereof. In the event of any conflict between this Declaration and the First Wellington Documents, the latter shall prevail.

## ARTICLE IX

### USE AND MAINTENANCE OF LOTS

9.1 Land Use and Building Type. Each Lot is restricted to the use of a single family, its household servants and guests, exclusively for residential purposes. Nothing herein contained shall prevent ownership of a Lot by a corporation

or other business entity, provided, however, that the intended use by such Owner or occupant shall be consistent with this Declaration. No commercial activity, trade or business shall be maintained upon any Lot. Only one Home may be built upon each Lot. No portable or temporary buildings, mobile homes, recreational vehicles, tents, shacks, or barns may be placed or constructed upon a Lot. Temporary use of Lots by the Developer for sales, displays, signs, storage, parking areas, and sales offices shall be permitted as long as the Developer is a member of the Association.

9.2 Changes in Buildings. No Owner shall make or permit any structural modification or alteration of any Home except with the prior written consent of the ARB, which consent may be withheld for solely aesthetic reasons.

9.3 Building Location. Buildings shall be located as originally constructed on the Lots by the Developer.

9.4 Nuisances. No obnoxious or offensive activity shall be carried on or permitted upon any Lot, nor shall anything be done on a Lot which may be or may become an annoyance or nuisance to another Owner. All parts of the Property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist.

9.5 Architectural Control. No building, wall, fence, swimming pool, spa or other structure or improvement of any nature (including landscaping) (collectively the "Improvements") shall be erected, placed, or altered on any Lot until construction plans and specifications and a plan showing the location of the proposed Improvements have been approved in writing by the ARB. Denial of ARB approval may be for any reason, including purely aesthetic reasons, which in the sole and uncontrolled discretion of the ARB deems sufficient. If approval or denial is not given in writing by the ARB within thirty (30) days, said approval is automatic. Any change in the exterior appearance of any Improvement existing on a Lot (including landscaping) shall be deemed an alteration requiring ARB approval. Any Improvements or alterations which are approved by the ARB shall be erected, placed, or altered only in accordance with the plans and specifications submitted to the ARB. All architectural matters submitted to the ARB which are also subject to approval under the First Wellington Documents, shall be presented to the Wellington Environmental Control Committee ("WECC") and shall be subject to its prior written consent.

9.5.1 The ARB shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this Section. Copies of such rules and regulations and amendments shall be furnished by the ARB to all Owners upon written request.

9.5.2 The ARB shall be composed initially of three (3) members appointed by the Board. The address of the ARB, until changed, shall be the same as that of the Association.

9.5.3 A majority of the ARB may take any action the ARB is empowered to take, may designate a representative to act for the ARB, and may employ personnel and consultants to act for the ARB. Members of the ARB shall be appointed by the Board.

9.6 Exterior Appearance and Landscaping. The roofing material and color, paint, coating, stain and other exterior finishing colors on each Home may be maintained as that originally installed, without prior approval of the ARB, but prior approval by the ARB shall be necessary before any such exterior finishing or color is changed. The landscaping on each Lot, including, without limitation, the trees, shrubs, lawns, flower beds, walkways and ground elevations, shall be maintained by the Owner as originally installed by the Developer unless the prior consent for any change is obtained from the ARB. Aluminum foil may not be placed on windows or glass doors. No Owner shall place any furniture, equipment, or objects of any kind, or construct any structures, slabs or porches, beyond the limits of his Home unless prior written consent is obtained from the ARB and from the appropriate governmental agencies. No Owner shall place objects such as bicycles, toys, barbecue grills, etc., on his Lot unless concealed from the view of rights of way and other Lots. Customary outdoor furniture shall be permitted on a Lot.

9.7 Exterior Maintenance. Each Owner shall maintain his Lot and Home (with the exception of any portion of such Lot which the Association may hereafter elect to maintain) in a neat and attractive manner at all times. Upon an Owner's failure to properly maintain his Lot or the exterior of his Home, the Association may, at its option, perform the necessary maintenance, after giving the Owner ten (10) days written notice sent to the Owner's last known address, or to the address

of the subject Lot. All expenses of the Association incurred in performing the necessary maintenance to such Lot or Home shall be immediately due and owing from the Owner of the Lot, and shall constitute a Limited Assessment against the Lot.

9.8 Parking and Vehicular Restrictions. No Owner shall park, store or keep any vehicle upon any unpaved portion of a Lot, and any inoperable vehicle shall be stored only in an enclosed garage. No Owner shall park, store or keep on any Lot, unless in an enclosed garage, any commercial-type vehicle or any recreational vehicle (camper unit, motor home, truck, trailer, boat, boat trailer, mobile home or other similar vehicle). The above restriction shall exclude camper trucks up to and including one-half ( $\frac{1}{2}$ ) ton when used for everyday-type transportation, subject to approval by the Board. No Owner shall conduct major repairs or major restorations of any motor vehicle, boat, trailer, aircraft or other vehicle upon any portion of any Lot or upon the Common Areas, except wholly within the Owner's garage, and then only when the garage door is closed; provided, however, that such activity shall at no time be permitted if it is determined by the Board to be a nuisance. Garage doors shall remain closed except for reasonable periods while the garages are being used. Garages shall be used for garage purposes only and shall not be converted to other uses. Notwithstanding the foregoing, these restrictions shall not be interpreted in such a manner so as to permit any activity which would be contrary to any ordinance of any applicable governmental authority.

9.9 Mailboxes. Only mailboxes installed by the Developer or approved by the ARB shall be permitted on the Property.

9.10 Signs. No sign of any kind shall be displayed on any Lot, except that one (1) sign of not more than one (1) square foot may be used to indicate the name of the resident of the Lot, and one (1) sign of not more than one (1) square foot may be used to advertise the sale or rental of a Lot. The ARB shall have the authority to require a particular type of sign, uniform in appearance, content, and size, with regard to the advertisement of any Lot for sale or rent. No signs shall be permitted anywhere in the Common Areas without the prior consent of the Board and the ARB. Notwithstanding anything herein to the contrary, the Developer, for so long as it is a member of the Association, shall have the right to erect and maintain on any Lot or in the Common Areas any sign or display deemed in its discretion to be necessary for the identification of the Property or for the promotion of sales or rentals of Lots.

9.11 Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited or kept on any Lot except in containers specifically manufactured for such purpose and in such areas, including, but not limited to below ground level, as may be designated for such purpose by the ARB; provided, however, that the requirements of any applicable governmental authority for disposal or collection of trash and garbage shall be complied with. Refuse containers shall be shielded by a garbage bin so that the container is not visible from any point on the front lot line of the Lot or from adjoining properties. All equipment for the storage or disposal of refuse shall be kept in a clean and sanitary condition. During the construction of any dwelling unit, the Owner shall be responsible for placing, at the end of each day, all trash, scrap building materials, clippings, stumps, packaging materials and debris in a refuse container approved by the Developer at a location which shall be approved by the Developer. Failure to comply with the above will result in the Developer having the trash removed at a charge to the Owner of cost plus fifty (50%) percent.

9.12 Damage to Buildings. In the event a Home is damaged through an Act of God or other casualty, the Owner of such Home shall promptly cause his Home to be repaired and rebuilt substantially in accordance with the original architectural plans and specifications. It shall be the duty of the Association to enforce such repair or rebuilding of the Home to comply with this Section. To accomplish the requirements of this Section, each Owner shall insure his Home at the highest insurable value.

9.13 Antennas. No exterior television or radio antennas, towers or satellite dishes of any nature shall be erected or permitted on any Lot.

9.14 Roofs. Roofs shall be maintained as constructed by the Developer and any change in material, color, construction or the like shall first be consented to by the ARB in writing.

9.15 Carports. No carports shall be constructed on any Lot, and no canvas, pipe or other type of carport shall be placed in front of a garage.

9.16 Oil and Mining Operations. No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted upon the Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon the Property. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the Property.

9.17 Animal Restrictions. No animals, insects, livestock, reptiles or poultry of any kind shall be raised, bred or kept on any Lot or in Common Areas, except that usual and ordinary dogs, cats, fish, birds or other household pets (excluding, without limitation, equine, bovine, sheep, swine, goats and other such animals) may be kept on Lots subject to Rules adopted by the Board, provided that they are not kept, bred or maintained for commercial purposes, or in unreasonable quantities. As used in this Declaration, "unreasonable quantities" shall ordinarily mean more than two (2) pets per household, provided, however, that the Association (or the ARB or such other Person as the Association may from time to time designate) may determine that a reasonable number in any instance may be more or less than two (2). The Association, acting through the Board, shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Board, a nuisance to any Owner. Animals belonging to Owners, occupants or their licensees, tenants or invitee must be kept within an enclosure, an enclosed patio or on a leash being held by a person capable of controlling the animal. The enclosure must be so maintained that the animal cannot escape therefrom, and shall be subject to the approval of the ARB. Each Owner shall be absolutely liable to each and all remaining Owners, their families, guests, tenants and invitee, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Property by such Owner or by members of his family, his tenants or his guests. It shall be the absolute duty and responsibility of each Owner to clean up after such animals which have used any portion of the Common Area or any portion of another Owner's Lot. Notwithstanding the foregoing, these restrictions shall not be interpreted in such a manner so as to permit (i) the maintenance of any animals which are not permitted to be maintained on the Property under the ordinances of any applicable governmental authority or (ii) the maintenance of any animals which may otherwise be permitted on the Property by the ordinances of any applicable governmental authority.

9.18 Water Supply. No well or other individual water supply system shall be permitted on any Lot, except for use in sprinkler systems.

9.19 Air Conditioning Units. No air conditioning units may be mounted through windows or walls or on the exterior of a Home unless the location, method of installation, appearance and desirability of such unit has the prior written consent of the ARB.

9.20 Subdividing, Combining or Replatting Lots. The Developer shall at all times have the right to subdivide or replat any Lot owned by Developer without the consent of the Association or any other Owner. Each Lot resulting from such subdivision or replatting shall be considered as a separate Lot and shall be liable for Assessments in accordance with this Declaration. The Developer shall also have the right to combine two (2) or more Lots and to construct one (1) Home thereon, without the consent of the Association or any Owner; however, each of the individual Lots which have been combined shall be considered as a separate Lot and shall be liable for Assessments in accordance with this Declaration (so that the Owner of a Home constructed on two [2] Lots shall be liable for two [2] Assessments). Except for Lots owned by the Developer, no Lot shall be subdivided, replatted or combined with any other Lot without the prior written consent of the ARB.

9.21 Leases. No portion of a Lot and Home (other than the entire Lot and Home) may be rented. All leases shall be on forms approved by the Association and shall provide that the Association shall have the right to terminate the lease upon default by tenant in observing any of the provisions of the Declaration, Articles, Bylaws or Rules. Leasing of Lots and Homes shall be subject to the prior written approval of the Association. No lease shall be approved for a term of less than six (6) months. Owners wishing to lease their Lots and Homes shall be required to place in escrow with the Association the sum of Five Hundred Dollars (\$500.00) which may be used by the Association to repair any damage to the Common Areas resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant, including any attorneys' fees and costs incurred by the Association in such enforcement or collection. Any balance remaining in the escrow account, less an administrative charge not to exceed Fifty Dollars (\$50.00), shall be returned to the Owner within ninety (90) days after the tenant and all subsequent tenants permanently vacate the Lot and

Home. The requirements of this Subsection shall not apply to the leasing of Lots and Homes by the Developer for so long as it is a member of the Association.

9.22 Rights to the Developer. Notwithstanding anything contained in this Declaration to the contrary, as long as the Developer is a member of the Association, the Developer shall have the absolute right to lease, sell, transfer or otherwise convey any portion of the Property upon any terms and conditions it deems to be in its own best interests; and the Developer shall have the further right to maintain such sales offices and place such signs on the Property and otherwise perform such sales activities as it may deem necessary, appropriate or desirable.

## ARTICLE X

### RULES AND REGULATIONS

10.1 Compliance by Owners. Every Owner shall comply with all of the covenants set forth in this Declaration and all Rules, all as may be amended from time to time.

10.2 Enforcement. Failure by any Owner to comply with this Declaration and the Rules shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend an Owner's voting rights and to suspend the use of the Common Areas.

10.3 Fines. In addition to all other remedies, in the sole discretion of the Board, a fine or fines may be imposed upon an Owner for the failure of an Owner, his family, guests, invitee, employees or tenants (or their family, guests, invitee or employees) to comply with the Declaration, Articles, Bylaws, or Rules, provided the following procedures are adhered to:

10.3.1 Notice. The Association shall notify the Owner in writing of the infraction or infractions. Included in the notice shall be the date and time of the next Board meeting at which time the Owner shall present reasons why the penalty or penalties should not be imposed.

10.3.2 Hearing. The noncompliance shall be presented to the Board after which the Board shall hear reasons presented by the Owner why penalties should not be imposed. A written decision of the Board shall be submitted to the Owner not later than twenty-one (21) days after the Board meeting. Any interested Owner shall be permitted to address the Board with respect to such matters.

10.3.3 Penalties. The Board will impose fines (which shall be considered Limited Assessments) against such Owner's Lot, as follows:

(a) First non-compliance or violation - a fine not in excess of Fifty Dollars (\$50.00);

(b) Second non-compliance or violation - a fine not in excess of One Hundred Fifty Dollars (\$150.00);

and

(c) Third and subsequent non-compliance or violation(s) which are of a continuing nature - a fine not in excess of Three Hundred Dollars (\$300.00) (or a fine not in excess of \$300.00 per month, in the event of a non-compliance or violation which is of a continuing nature).

10.3.4 Payment of Penalties. Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the penalty.

10.3.5 Collection of Fines. Fines shall be treated as a Limited Assessment subject to the provisions for the collection of Assessments set forth in this Declaration.

10.3.6 Application of Penalties. All monies received from fines shall be allocated as directed by the Board.

10.4 Remedies. The remedy provided herein for fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; which rights and remedies shall include, without limitation, an action at law to recover damages on behalf of the Association or on behalf of any Owner(s), an action in equity to enforce performance on the part of an Owner(s), an action in equity for such equitable relief as may be necessary under the circumstances (including, without limitation, injunctive relief) and any other remedies and rights the Association may have pursuant to the Declaration, Articles, Bylaws, Rules or by law or otherwise. Any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

10.5 Remedies Not Applicable to Developer. The remedies provided in this Article X shall not apply to or be available against the Developer, its officers, directors, agents, employees, or contractors, or against Lots owned by the Developer.

10.6 Attorneys Fees. In any proceeding arising because of an alleged non-compliance or violation of the Declaration, Articles, Bylaws, or Rules, the Association shall be entitled to recover its costs and reasonable attorneys' fees (including attorneys' fees on appeal, if any) from the Owner in any matter in which the Association prevails.

## ARTICLE XI

### AMENDMENTS

11.1 Additional Property. Additional Lots or Common Areas may be annexed to the Property with the consent of two-thirds (2/3) of the votes cast by members of the Association at a duly convened meeting of the Association at which a quorum is present. Notwithstanding anything to the contrary aforesaid, the Developer may, without the consent of the Class A members, annex into the Property additional Lots or Common Areas by filing an amendment to this Declaration in the Public Records of Palm Beach County, Florida, executed and acknowledged by the Developer.

11.2 Amendments. In addition to any other manner herein provided for the amendment of this Declaration, this Declaration may be amended, changed, added to or deleted from at any time and from time to time by a duly recorded instrument executed by (i) the Developer for so long as it is a member of the Association; or (ii) by Owners holding not less than two-thirds (2/3) of the votes of the Class A membership, provided that so long as the Developer is a member of the Association, the Developer's consent must be obtained, or (iii) by the Association, provided that at a duly called meeting of the members at which a quorum is present, the holders of not less than two-thirds (2/3) of the votes present in person or by proxy have approved the amendment, and further provided that so long as the Developer is a member of the Association, the Developer's written consent must be obtained. In the event any governmental related lending institution requires a modification of this Declaration as a prerequisite to accepting the Property or any portion thereof for financing, such amendment may be adopted by a majority vote of the Board without the necessity of any other approval. The Developer shall have the right for so long as it is a member of the Association to amend this Declaration to correct scrivener's errors and to clarify any ambiguities determined to exist herein. The Declaration shall not be amended so as to result in a conflict with the First Wellington Documents.

## ARTICLE XII

### RIGHTS OF INSTITUTIONAL, MORTGAGEES HOLDING FIRST MORTGAGES

12.1 Mortgagee's Rights. For so long as any Institutional Mortgagee shall hold a first mortgage upon any Lot, or shall be the Owner of a Lot, such Institutional Mortgagee shall have the following rights:

12.1.1 To be given timely notice of any condemnation loss or any casualty loss which affects a material portion of the Property or any Lot encumbered by that Institutional Mortgagee's mortgage;

12.1.2 To be given timely notice of any default in the performance by an Owner, whose Lot is encumbered by that Institutional Mortgagee's mortgage, of any obligation under the Declaration, Articles, Bylaws, or Rules, as well as any delinquency in the payment of Assessments for a period of sixty (60) days;

12.1.3 To be given timely notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

12.1.4 To pay taxes or other charges which are in default and which may or have become a charge or lien against the Common Areas; to pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for the Common Areas; and the Institutional Mortgagee making such payments shall be owed immediate reimbursement from the Association.

12.2 Limitation of Association Rights. Unless at least two-thirds (2/3) of the Institutional Mortgagees (based upon one vote for each first mortgage owned) and Owners (other than the Developer) have given their prior written approval, the Association shall not be entitled to:

12.2.1 By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas (the granting of easements for public utilities or for the other public purposes consistent with the intended use of such Common Areas shall not be deemed a transfer within the meaning of this clause);

12.2.2 Change the method of determining the Assessments which may be levied against an Owner;

12.2.3 By act or omission, change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Homes and Lots, the exterior maintenance of Homes and Lots, or upkeep or maintenance of the Common Areas;

12.2.4 Fail to maintain fire and extended coverage insurance on insurable property in the Common Areas on a current replacement costs basis in an amount not less than one hundred (100%) percent of the insurable value (based on current replacement cost);

12.2.5 Use hazard insurance proceeds for losses to any Common Areas for other than the repair, replacement or reconstruction of such Common Areas.

12.2.6 Amend this Declaration, the Bylaws or Articles in any other way deemed "material" under the then existing guidelines promulgated by FNMA or FHLMC.

12.3 Effective Date of this Article. The provisions of this Article shall be applicable only after the Institutional Mortgagee shall have served written notice upon the Association identifying the Lot(s) which it owns or upon which it holds a first mortgage, identifying such mortgages, and designating the place to which notices are to be sent by the Association.

### ARTICLE XIII

#### INSURANCE AND CASUALTY DAMAGE

13.1 Association's Duty. The Association shall have the duty to insure all of the property contained in the Common Areas, including real property and personal property, with fire and extended coverage insurance, public liability insurance, and such other insurance as the Association may deem necessary, the fire and extended coverage insurance to be sufficient for full replacement costs. The insurance policies for the Common Areas shall name the Association and any lien holders as insured, as their respective interests may appear, and the proceeds of such fire and extended coverage insurance shall be used exclusively for repair or replacement purposes.



13.2 Owner's Duty. Each Owner shall be required to obtain and maintain in force and effect a policy of fire and other casualty insurance in an amount acceptable to the Association and with coverage adequate to cover the full replacement cost of any repair or reconstruction work on the Owner's Lot.

13.3 Association's Right to Repair. In the event of damage or destruction by fire or other casualty to an Owner's Home, the Owner shall repair or rebuild such damaged or destroyed portions of the property in a good workmanlike manner substantially in accordance with the original plans and specifications for said Lot. If the Owner refuses or fails to commence repairs or the rebuilding of the Home within ninety (90) days after occurrence of the damage or destruction (regardless of whether or not insurance proceeds have been paid to the Owner), the Association may repair or rebuild such Home. The Owner must reimburse the Association for the amount actually expended for such repairs or reconstruction, and the Association shall have a lien securing such payment in the same manner provided herein for Regular Assessments.

13.4 Proceeds of Insurance. Notwithstanding anything contained herein to the contrary, the Association may, at its option, require that all proceeds of insurance for damage to any Lot be assigned to and paid directly to the Association, subject to the rights of any Institutional Mortgagee holding the first mortgage on such Lot. The Association shall receive such funds for the exclusive purpose of making and completing such repairs and reconstruction as may be necessary for the habitability, safety and appearance of the damaged Lot.

#### ARTICLE XIV

#### INDEMNIFICATION AND EXCULPATION

14.1 Indemnification. The Association shall defend, indemnify and hold Developer, and its Directors, officers, agents and employees, and the Association's Directors, officers, agents and employees (collectively the "Indemnified Parties") harmless from and against any and all claims, suits, actions, threatened actions, injury, loss, liability, damages, causes of action and expenses of any nature ("Indemnified Loss") which may be incurred by Indemnified Parties in connection with or arising directly or indirectly from any personal injury, loss of life, or damage to property on the Property. The indemnification provided in this Section shall apply whether or not any Indemnified Party is acting in his capacity as Developer, Director, officer, or agent at the time any Indemnified Loss is incurred.

14.1.1 Indemnified Loss, pursuant to this Section, shall include, but not be limited to, all costs, attorneys' fees (including all appellate levels), expenses, and liabilities. Indemnified Losses shall also include any and all expenses that any Indemnified Party incurs to enforce its rights under this Declaration, including costs incurred in obtaining an order for specific enforcement of any of the provisions, conditions, covenants or restrictions contained herein.

14.2 Exculpation.

14.2.1 The Association and all Owners agree that any liability of any Person arising out of or in connection with this Declaration or the Property shall be limited solely to the cost of correcting defects in work, equipment or components that were warranted in specific written warranties given by the Developer to Owners or to the Association.

14.2.2 No Person shall be liable for special or consequential damages including, but not limited to, loss of profits or revenue, loss of use, loss of capital, cost of substitute housing or equipment, facilities or services, or claims by third parties. Repairs or replacements shall not interrupt or prolong the term of any written warranty or extend the obligation of the Developer to replace or repair the property warranted.

14.2.3 Any rights, privileges, or warranties contained in this Declaration (other than rights of the Developer) shall not be assigned or assignable but are personal between the original Owners or the Association and the Developer.

14.2.4 The Owners agree that there have been no oral or implied warranties by any Person, pertaining to the Property.

14.2.5 A closing on any Lot shall supersede and render null and void any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, except for specific written warranties made by the Developer.

14.2.6 The Owners hereby acknowledge that there is no warranty of merchantability or fitness for any particular purpose as to any of the Property.

14.2.7 The Directors, officers, agents and employees of the Developer or the Association shall not be subject to personal liability of any nature arising or by reason of the construction, use or sale of the Property. Each Owner, by acceptance of a deed to a Lot, waives any claim or right that it may have against such person and agrees that any and all claims for liability or loss arising by reason of this Declaration, or the construction, use or sale of the Property shall be against the Developer only, and shall be limited by and subject to the provisions of this Declaration.

14.3 Limitations of Actions. Notwithstanding anything in this Declaration to the contrary, neither the Association nor any Owner shall be permitted to bring suit against the Developer or its officers, Directors, employees or agents for any reason whatsoever.

14.4 Amendment. Notwithstanding anything in this Declaration to the contrary, the provisions of this Article XIV shall not be amended, modified or deleted at any time without the prior written consent of the Developer so long as Developer owns any Lot.

## ARTICLE XV

### GENERAL PROVISIONS

15.1 Duration. The terms, conditions, provisions, covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Developer, the Association, the ARB, Community Association, any Owner subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of three-fourths (3/4) of the Lots and all Institutional Mortgagees of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or in part; provided, however, that no such agreement to change shall be effective unless made and recorded three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

15.2 Condemnation. In the event all or part of the Common Areas shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board shall have the right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation issues affecting such Common Areas. The Owners may, by vote of two-thirds (2/3) of the votes present in person or by proxy at a duly convened meeting of the Association, agree to distribute the proceeds of any condemnation or taking by eminent domain, and if the Owners shall not so agree, such proceeds shall be added to the funds of the Association.

15.3 Interpretation. The provisions hereof shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Property.

15.4 Rules. All Owners shall comply with the Rules as same may be amended from time to time. The Rules shall be for the purpose of elaboration and administration of the provisions of the Declaration, shall relate to the overall development of the Property, and shall not in any way diminish the powers of the Association.

15.5 Legal Fees. Any and all legal fees, including but not limited to attorneys' fees and court costs which may be incurred by the Association in the enforcement of any of the provisions of the Declaration, Bylaws, Articles, Rules or the First Wellington Documents all as amended from time to time, regardless of whether such enforcement requires judicial

action, shall be assessed against and collectible from the Owner against whom such action was taken and shall be a lien against such Owner's Lot in favor of the Association.

15.6 Limitations. As long as there is a Class B membership, the Association may not use its resources or take a public position in opposition to the general plan of development for the Property or to changes thereto proposed by the Developer. Nothing in this Section shall be construed to limit the rights of Owners acting as individuals or in affiliation with other Owners.

15.7 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Florida, both substantive and remedial.

15.8 Compliance. Every Owner and other Person coming upon the Property shall comply with, and shall not violate, the provisions of the Declaration, Articles, Bylaws, Rules and the First Wellington Documents as same may be amended from time to time.

15.9 Notice. Any notice required to be sent to any Owner under the provisions of the Declaration, Articles, Bylaws, Rules or First Wellington Documents shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the Person who appears as the Owner on the records of the Association at the time of such mailing, or in the event such address has not been supplied to the Association, to the address of the Lot owned by such Owner.

15.10 Enforcement. The covenants, restrictions and other provisions of the Declaration, Articles, Bylaws and Rules may be enforced by the Developer, the Association, the ARB, the Community Association or by any Owner. Enforcement shall be by a proceeding at law or in equity against any Person or Persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages or as otherwise provided herein, and against the Lot to enforce any lien created by these covenants. Failure by the Developer, the Association, the ARB, the Community Association, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. All costs of enforcement, including, but not limited to, attorneys' fees, costs of collection and costs of appeals, shall be the responsibility of the party violating said covenant or restriction.

15.11 Severability. In the event any provision, covenant, clause, paragraph, phrase, or word of this Declaration or application thereof to any person or circumstances shall be determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder thereof, or the application of such provision to person or circumstances, other than to those which it is determined to be invalid or unenforceable, shall not be affected thereby, and each remaining provision, covenant, clause, paragraph, phrase, and word shall continue to be valid and enforceable to the fullest extent provided by law. In the event any court shall hereafter determine that any provision as originally drafted herein violates the rule against perpetuities, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law.

15.12 Captions or Headings. The headings and paragraph titles utilized throughout this Declaration have been placed herein as a matter of convenience only, and the same shall not be construed in derogation of the language of the remaining provisions of this Declaration.

15.13 Effective Date. This Declaration shall become effective upon its recordation in the Public Records of Palm Beach County, Florida.

15.14 Gender and Name. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

15.15 Mortgages and Liens.

15.15.1 Mortgage. Any Owner may mortgage his Home or Lot without the approval of the Association.

15.15.2 Notice of Lien or Suit.

15.15.2.1 Notice of Lien. Every Owner shall give notice to the Association of every lien upon his Lot or Home other than for permitted mortgages, taxes and Assessments within five (5) days after the attaching of such lien.

15.15.2.2 Notice of Suit. Each Owner shall give notice to the Association of every suit or other proceeding which may affect the title to his Lot or Home; such notice to be given within five (5) days after the Owner receives knowledge thereof.

15.15.2.3 Failure to Comply. Failure to comply with this Subsection 15.15 will not affect the validity of any judicial sale

IN WITNESS WHEREOF, this Declaration has been duly executed and sealed this 31st day of August, 1989.

WITNESSES:

MEADOWLAND DEVELOPMENT CORP., a  
Florida corporation

/ss/

By: \_\_\_\_\_  
William R. Seach, President

STATE OF FLORIDA

COUNTY OF PALM BEACH

BEFORE ME, a Notary Public authorized to take acknowledgments in the State and County set forth above, personally appeared William R. Seach, President of Meadowland Development Corp., Inc., a Florida corporation, known to me and known by me to be the person who executed the foregoing and he acknowledged before me that he executed said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, in the State and County aforesaid, this 31st day of August, 1989.

/ss/

MY COMMISSION EXPIRES:

\_\_\_\_\_  
NOTARY PUBLIC

AMENDMENT ONE OF THE  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR  
STONEGATE HOMEOWNERS ASSOCIATION, INC.

PROPERTY SUBJECT TO THIS  
DECLARATION AND ADDITIONS THERETO

In accordance with Article XI, Section 11.2, of the Declaration of the Covenants and Restrictions for Stonegate Homeowners Association, Inc., recorded in Official Record Book 6180, Pages 1554 through 1580, the Developer is hereby exercising its right to amend this Declaration under the provisions of this Declaration.

ARTICLE VII  
EASEMENTS AND AGREEMENTS

Article VII is hereby amended and added to as follows:

7.1.8 Decorative Fence and Wall Easement. A fifteen (15') foot easement abutting the boundary of Greenview Shores Blvd., and a twenty (20') foot easement abutting the boundary of Carlton street is hereby created in favor of the Stonegate Homeowners Association, Inc. for maintenance, repair, replacement and access to such decorative landscaping, wall, and/or fence as may be installed by the Association. No unit Owner is to erect any structure within the borders of such easement or otherwise obstruct the Association's utilization of such easement.

7.1.9 Boundary wall and/or Fences. A ten (10') foot easement abutting the boundary of the Plat of Stonegate of Wellington P.U.D. along the southern boundary of Wellington Place of Wellington P.U.D. and the easterly boundary of Bedford Mews at Wellington P.U.D. and the northern boundary of the Parcel "C" of Greenview Cove No. 2 of Wellington (P.U.D.) is hereby created in favor of the Stonegate Homeowners Association, Inc. for the maintenance, repair, replacement of and access to such decorative landscaping and walls and/or fences as may be installed by the Stonegate Homeowners Association.

IN WITNESS WHEREOF, this Amendment One of the Declaration of Covenants and Restrictions for Stonegate Homeowners Association has been duly executed and sealed this \_\_\_\_\_ day of \_\_\_\_\_,

WITNESSES:

MEADOWLAND DEVELOPMENT CORP., a  
Florida corporation

By: \_\_\_\_\_

William R. Seach, President

(NOTARY ACKNOWLEDGMENT ON FOLLOWING PAGE)

STATE OF FLORIDA

COUNTY OF \_\_\_\_\_

BEFORE ME, a Notary Public authorized to take acknowledgments in the State and County set forth above, personally appeared William R. Seach, President of Meadowland Development Corp., Inc., a Florida corporation, known to me and known by me to be the person who executed the foregoing and he acknowledged before me that he executed said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, in the State and County aforesaid, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

MY COMMISSION EXPIRES:

\_\_\_\_\_  
NOTARY PUBLIC