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11-02-95 09:08AM

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DECLARATION OF COVENANTS

FOR

THE RIDGES MAINTENANCE ASSOCIATION, INC.

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DECLARATION OF COVENANTS

FOR

THE RIDGES MAINTENANCE ASSOCIATION, INC.

THIS DECLARATION is made this day of 27th day of October, 1995, by ARVIDA/JMB PARTNERS, a Florida general partnership, which declares hereby that "The Properties" described in Article II of this Declaration are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1. Definitions. The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to THE RIDGES MAINTENANCE ASSOCIATION, INC. a Florida corporation not for profit. The Articles of Incorporation and By-Laws of the Association are attached hereto as Exhibits "A" and "B", respectively.

(b) "Builder" shall mean and refer to any party, other than the Developer, constructing a Unit on a Lot owned by such party; provided, however, that a party constructing a Unit on Lot owned by another party shall be deemed a "Builder" only for purposes of Article X, Sections 3 and 4 hereof.

(c) "Common Areas" shall mean and refer to the property legally described in Exhibit "C" attached hereto and made a part hereof, plus all property designated as Common Areas in any future recorded supplemental declaration; together with the landscaping and any improvements thereon, including, without limitation, all private roadways and pedestrian walkway areas, structures, recreational facilities, open space, walkways and golf cart pathways, sprinkler systems and street lights, if any, but excluding any public utility installations thereon, and all portions of any Community Systems (as defined below) not made Common Areas pursuant to Article IV, Section 8 hereof, and any other property of Developer not intended to be made Common Areas.

(d) "Community Systems" shall mean and refer to any and all cable television, telecommunication, alarm/monitoring or other lines, conduits, wires, amplifiers, towers, antennae equipment, materials, installations and fixtures (including those based on, containing or serving future technological advances not now known) installed by Developer or pursuant to any grant of easement or authority by Developer within The Properties and serving more than one Lot/Unit.

(e) "Developer" shall mean and refer to Arvida/JMB Partners, a Florida general partnership, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of The Properties. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a nonexclusive basis.

(f) "Foundation" shall mean and refer to The Town Foundation, Inc., a Florida corporation not for profit, same being the entity responsible for the administration of "Weston" (as defined in the Foundation Covenants), of which The Properties are a part.

(g) "Foundation Covenants" shall mean and refer to the Amended and Restated Declaration of Town Foundation Covenants, dated May 13, 1985 and recorded May 17, 1985 in Official Records Book 12546, Page 921 of the Public Records of Broward County, Florida, and, unless the context prohibits, the Articles of Incorporation, By-Laws and Rules and Regulations of the Foundation, all as now or hereafter further amended, modified or supplemented.

(h) "Landscaping and Pedestrian Areas" shall mean and refer to strips of land of varying widths abutting the roads within, or adjacent to, The Properties or portions or all of their entire length, notwithstanding that any such strips of land may be located upon Lots. The Developer may establish a physical boundary between the Landscaping and Pedestrian Areas referred to above and the other portions of an affected Lot, if any, but in the absence of such physical boundary, the Developer shall have the absolute right to determine the actual boundary and such determination shall be binding on all affected associations and the Owners. The fact that certain of such Landscaping and Pedestrian Areas are not legally described shall not affect their character as provided herein. No Owner shall alter any Landscaping and Pedestrian Area or make any use of same contrary to its purposes.

(i) "Limited Common Areas" shall mean and refer to such portions of the Common Areas which are intended for the exclusive use (subject to the rights, if any, of Broward County, the Association and the public) of the Owners of specific Lots, and shall specifically include portions of road rights of way (whether public or private platted tracts) from the edge of the paved road to the boundary line (whether front, side or rear) of the applicable Lot and the mailbox structure and sidewalks therein, if any, not located on a Lot but used by Owners of specific Lots to the exclusion of others. Unless otherwise provided specifically to the contrary, reference to the Common Areas shall include the Limited Common Areas.

(j) "Lot" shall mean and refer to any Lot on any plat of all or a portion of The Properties, which plat is designated by Developer hereby or by any other recorded

instrument to be subject to these covenants and restrictions, any Lot shown upon any resubdivision of any such plat, any individual unit in a condominium or cooperative project, and any other property hereafter declared as a Lot by Developer and thereby made subject to this Declaration; provided, however, that no portion of any Community System shall be deemed to be part of a Lot unless and until same is made such pursuant to Article IV, Section 8 hereof, if at all. Notwithstanding the foregoing, the portions of the common elements of a condominium or cooperative which are outside of its building(s) shall be deemed a Lot for purposes of landscape maintenance duties, the granting and use of easements and in the case of any other provision of this Declaration which affects a Lot in the physical sense of rights of entry and the like.

(k) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article III hereof.

(l) "Member's Permittee" shall mean and refer to a person described in Article VIII, Section 3 hereof.

(m) "Neighborhood" shall mean and refer to a portion of The Properties designated as such herein or in a Supplemental Declaration (as hereinafter defined), the purpose of such designation being to address such portion as such for voting, assessment, regulation and other purposes as provided herein or in the Association's By-Laws or rules and regulations. The first designation of Neighborhoods is set forth in Exhibit "B" attached hereto and made a part hereof.

(n) "Neighborhood Committee" shall mean and refer to a committee of Owners in a specific Neighborhood elected by all of the participating Owners in such Neighborhood in accordance with the provisions of the Association's Articles of Incorporation and By-Laws, except as otherwise provided in Article XV hereof, such Committee to be advisory in nature (other than as to the election of a Voting Member per the By-Laws) and not to exercise any corporate authority on behalf of the Association.

(o) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon The Properties, including Builders and Developer.

(p) "The Properties" shall mean and refer to all existing properties, and additions thereto, as are now or hereafter made subject to this Declaration, except those which are withdrawn from the provisions hereof in accordance with the procedures hereinafter set forth.

(q) "Unit" shall mean and refer to the individual residential structure constructed on a Lot or an individual condominium or cooperative unit; provided, however, that no portion of any Community System, even if installed in a Unit, shall

be deemed to be a part of a Unit unless and until same is made such pursuant to Article IV, Section 8 hereof, if at all.

(r) "Voting Member" shall mean and refer to the person elected or designated, as applicable, to cast the votes attributable to a Neighborhood, such person to be selected and to vote as provided herein and in the Articles of Incorporation and By-Laws of the Association.

Section 2. Interpretation. The provisions of this Declaration as well as those of the Articles, By-Laws and any rules and regulations of the Association shall be interpreted by the Board of Directors. Any such interpretation of the Board which is rendered in good faith shall be final, binding and conclusive if the Board receives a written opinion of legal counsel to the Association, or the counsel having drafted this Declaration or other applicable document, that the interpretation is not unreasonable, which opinion may be rendered before or after the interpretation is adopted by the Board. Notwithstanding any rule of law to the contrary, the provisions of this Declaration and the Articles, By-Laws and the Rules and Regulations of the Association shall be liberally construed so as to effectuate the purposes herein expressed with respect to the efficient operation of the Association and The Properties, the preservation of the value of the Lots and Units and the protection of Developer's and Builders' rights, benefits and privileges herein contemplated.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERETO

Section 1. Legal Description. The real property which, initially, is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Broward County, Florida, and is more particularly described in Exhibit "D" attached hereto and made a part hereof, all of which real property (and all improvements thereto), together with additions thereto, but less any withdrawals therefrom, is herein referred to collectively as "The Properties".

Section 2. Supplements. In accordance with Developer's current intention (but not obligation) to increase the land constituting The Properties from time to time in "phases", Developer may from time to time subject other land under the provisions hereof by recorded supplemental declarations (which shall not require the consent of then existing Owners, the Association or any mortgagee other than that, if any, of the land intended to be added to the Properties) and thereby add to The Properties. To the extent that such additional real property shall be made a part of The Properties, reference herein to The Properties shall be deemed to be reference to all of such additional property where such reference is intended to include property other than that legally described above. Nothing herein, however, shall obligate

Developer to add to the initial portion of The Properties, to develop any such future portions under a common scheme, nor to prohibit Developer (or the applicable Developer-affiliated Owner) from rezoning and changing plans with respect to such future portions. All Owners, by acceptance of a deed to or other conveyance of their Lots, shall be deemed to have automatically consented to any such rezoning, change, addition or deletion thereafter made by Developer (or the applicable Developer-affiliated Owner) and shall evidence such consent in writing if requested to do so by Developer at any time (provided, however, that the refusal to give such written consent shall not obviate the general and automatic effect of this provision).

In furtherance of the plan of development of The Properties as a community of distinct Neighborhoods, a supplemental declaration may vary the terms of this Declaration by addition, deletion or modification so as to reflect any unique characteristics of the Neighborhood identified therein; provided, however, that no such variance shall be directly contrary to the uniform scheme of development of The Properties.

Section 3. Withdrawal. Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, for the purpose of removing certain portions of The Properties then owned by Developer or its affiliates or the Association from the provisions of this Declaration to the extent included originally in error or as a result of any changes whatsoever in the plans for The Properties desired to be effected by Developer; provided, however, that such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for The Ridges (as defined in the Foundation Covenants) or The Properties. Any withdrawal of land not owned by Developer shall require the written consent or joinder of the then-owner(s) and mortgagee(s) of such land.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner of a fee interest in any Lot shall be a Member of the Association. Notwithstanding anything else to the contrary set forth in this Article, any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member of the Association.

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

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Section 1, which vote shall be cast by a Voting Member on their behalf in accordance with the procedures set forth in the Association's By-Laws.

Class B. The Class B Member shall be Developer. The Class B member shall be entitled to one (1) vote, plus two (2) votes for each vote entitled to be cast in the aggregate at any time and from time to time on behalf of the Class A Members. The Class B membership shall cease and terminate six (6) months after the last Lot within The Properties has been sold and conveyed by Developer (or its affiliates) or any Builder, or sooner at the election of Developer (whereupon the Class A Members shall be obligated to elect the Association's Board of Directors and assume control of the Association). Notwithstanding the foregoing, the right of the Class B Member to designate a majority of the Board of Directors shall terminate as provided in the Association's Articles of Incorporation.

Section 3. General Matters. When reference is made herein, or in the Articles, By-Laws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members represented at a duly constituted meeting of their Voting Members voting for them (i.e., one for which proper notice has been given and at which a quorum exists) and not of the Members themselves or of their Lots.

ARTICLE IV

COMMON AREAS; CERTAIN EASEMENTS; COMMUNITY SYSTEMS

Section 1. Members' Easements. Except for Limited Common Areas as herein specified, each Member, and each Member's Permittee, shall have a non-exclusive permanent and perpetual easement over and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, Member's Permittees, their agents and invitees, but in such manner as may be regulated by the Association.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(a) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and any facilities located thereon in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of The Properties from time to time recorded.

(b) The right of the Association to suspend the Member's (and his Member's Permittees') right to use the Common Area recreational facilities (if any) for any period during which any assessment against his Lot remains unpaid for more than thirty (30) days; and for a period not to exceed sixty (60) days for any infraction of this Declaration or the Association's lawfully adopted rules and regulations.

(c) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities (if any) situated on the Common Areas.

(d) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(e) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to all Members' Permittees, subject to regulation from time to time by the Association as set forth in its lawfully adopted and published rules and regulations.

(f) The right of Developer to permit such persons as Developer shall designate to use the Common Areas and all recreational facilities located thereon (if any).

(g) The right of Developer and the Association to have, grant and use general ("blanket") and specific easements over, under and through the Common Areas.

(h) The right of the Association, by a 2/3rds affirmative vote of the entire membership, to dedicate or convey portions of the Common Areas to any other association having similar functions, or any public or quasi-public agency, community development district or similar entity under such terms as the Association deems appropriate and to create or contract with the other association, community development and special taxing districts for lighting, roads, recreational or other services, monitoring, or communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds, to their Lots, shall be deemed to have consented, no consent of any other party, except Developer, being necessary).

WITH RESPECT TO THE USE OF THE COMMON AREAS AND THE PROPERTIES GENERALLY, ALL PERSONS ARE REFERRED TO ARTICLE XVI, SECTIONS 10, 11 AND 12, AND ARTICLE XVII, HEREOF, WHICH SHALL AT ALL TIMES APPLY THERETO.

Section 2. Easements Appurtenant. The easements provided in Section 1 shall be appurtenant to and shall pass with the title to each Lot, but shall not be deemed to grant or convey any ownership interest in the Common Area subject thereto.

Section 3. Maintenance. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Areas and,

to the extent not otherwise provided for, the paving, drainage structures, landscaping, improvements and other structures (except public utilities and Community Systems, to the extent same have not been made Common Areas and except those Limited Common Ares to be maintained by Owners) situated on the Common Areas, if any, all such work to be done as ordered by the Board of Directors of the Association. Without limiting the generality of the foregoing, the Association shall assume all of Developer's and its affiliates' responsibilities to Broward County and its governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Common Areas and shall indemnify and hold Developer and its affiliates harmless with respect thereto in the event of the Association's failure to fulfill those responsibilities.

In addition to maintaining the Common Areas, the Association shall be responsible for maintaining all Landscaping and Pedestrian Areas to the same standard as that applicable to all other portions of The Properties and an easement over all such Landscaping and Pedestrian Areas is hereby granted and declared for such purposes.

All work pursuant to this Section and all expenses incurred or allocated to the Association pursuant to this Declaration shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith.

No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Areas or abandonment of the right to use the Common Areas.

Section 4. Utility and Community Systems Easements. Use of the Common Areas for utilities, as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration and said plats. Developer and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Areas and the unimproved portions of the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of Community Systems and other utilities.

Section 5. Public Easements. Fire, police, health and sanitation, park maintenance and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

Section 6. Ownership. The Common Areas are hereby dedicated non-exclusively to the joint and several use, in common, of Developer and the Owners of all Lots that may from time to time constitute part of The Properties and all Member's Permittees and Developer's tenants, guests and invitees, all as provided and regulated herein or otherwise by the Association, subject to Article II, Section 3 hereof. The Common Areas (or appropriate portions thereof) shall, upon the later of completion of the improvements thereon or the date when the last Lot within The Properties has been conveyed to a purchaser (or at any time and

from time to time sooner at the sole election of Developer), be conveyed by quit claim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date this Declaration is recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Areas (whether or not then conveyed or to be conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of Broward County. It is intended that any and all real estate taxes and assessments of Indian Trace Community Development District (the "ITCDD") assessed against the Common Areas shall be (or have been, because the purchase prices of the Lots and Units have already taken into account their proportionate shares of the values of the Common Area), proportionally assessed against and payable as part of the taxes of the applicable Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue 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.

Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of The Properties (including, without limitation, Lots) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any improvements or facilities on the Common Areas or elsewhere on The Properties that Developer and its affiliates or designee elect to effect, and to use, without charge, the Common Areas and other portions of The Properties for sales, displays and signs or for any other purpose during the period of construction and sale of any portion thereof or of other portions of adjacent or nearby communities. Without limiting the generality of the foregoing, Developer and its affiliates shall have the specific right to maintain upon any portion of The Properties sales, administrative, construction or other offices and appropriate exclusive and non-exclusive easements of access and use are expressly reserved unto Developer and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, Developer shall not be liable for delays in such completion to the extent resulting from the need to complete any of the above-referenced activities prior to such completion.

Section 7. Drainage Easements. Notwithstanding any provision of this Declaration or any condition or restriction on the plat(s) of any portion of The Properties to the contrary, in the event that Developer or a Builder installs any equipment (such as, but not limited to, air conditioning equipment) serving a Unit within a drainage easement granted the Association on any plat of The Properties, or if a roof or other portion of a Unit overhangs such easement, then such installation (including, without limitation, concrete pads and connecting pips and wires) and/or portion of a Unit shall not be deemed in derogation of the Association's rights under such easement and, accordingly, shall be and is hereby authorized. This authorization

shall extend to any and all access to such equipment necessary for its use, maintenance, repair or replacement.

Section 8. Community Systems. Developer shall have the right, but not the obligation, to convey, transfer, sell or assign all or any portion of the Community Systems located within The Properties, or all or any portion of the rights, duties or obligations with respect thereto to the Association or any other person or entity (including an Owner, as to any portion of a Community System located on/in his Lot/Unit). Without limiting the generality of Article I, Section (e) hereof, if and when any of the aforesaid entities receives such a conveyance, sale, transfer or assignment, such entity shall automatically be deemed vested with such rights of Developer with regard thereto as are assigned by Developer in connection therewith; provided, however, that if the Association is the applicable entity, then any Community Systems or portions thereof shall be deemed Common Areas hereunder and the Association's rights, duties and obligations with respect thereto shall be the same as those applicable to other Common Areas unless otherwise provided by Developer. Any conveyance, transfer, sale or assignment made by Developer pursuant to this Section (i) may be made with or without consideration, (ii) shall not require the consent or approval of the Association or any Owner and (iii) if made to the Association, shall be deemed to have been automatically accepted (with all rights, duties, obligations and liabilities with respect thereto being deemed to have been automatically assumed).

In recognition of the intended increased effectiveness and potentially decreased installation and maintenance costs and user fees arising from the connection of all Units in The Properties to the applicable Community Systems, each Owner and occupant of a Unit shall by virtue of the acceptance of the deed or other right of occupancy thereof, be deemed to have consented to and ratified any and all agreements to which the Association is a party which is based upon (in terms of pricing structure or otherwise) a requirement that all Units be so connected. The foregoing shall not, however, prohibit the Association or Community Systems provider from making exceptions to any such 100% use requirement in its reasonable discretion.

WITH RESPECT TO COMMUNITY SYSTEMS, ALL PERSONS ARE REFERRED TO ARTICLE XVI, SECTION 10 HEREOF, WHICH SHALL AT ALL TIMES APPLY TO THIS SECTION.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, Developer (and each party joining in any supplemental declaration), for all Lots now or hereafter located within The Properties, hereby covenants and agrees, and each Owner of any Lot by acceptance of a deed therefor or other conveyance thereof, whether

or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments and charges for the operation of, and for payment of expenses allocated or assessed to or through the Association (by the Foundation or otherwise), of and for the maintenance, management, operation and insurance of the Common Areas and any applicable Community Systems as provided elsewhere herein, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 5 hereof, special assessments as provided in Section 4 hereof, any shared or allocated expenses described in Article XIV hereof and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association, all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Lots for fines, expenses incurred against particular Lots and/or Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid, except as provided in Section 8 of this Article.

Reference herein to assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

Section 2. Rates of Assessments. The Board of Directors shall budget and adopt assessments for the Association's general expenses and for those expense items associated with a specific Neighborhood (as opposed to those general to all of The Properties) which are different from those of other Neighborhoods. Accordingly, while all Lots within a particular Neighborhood shall be assessed at the same rate, Lots in one Neighborhood may be assessed at a rate different from those located in another Neighborhood in order to reflect expense differentials between/among Neighborhoods. Such different assessment rates may also be established based upon a portion of general expenses (e.g., road or Common Area landscaping maintenance) reasonably allocated to a Neighborhood in a manner similar to the Foundation's right to allocate expenses or set forth in Article XIV of this Declaration.

Section 3. Purpose of Assessments. The regular assessments levied by the Association shall be used for the purposes expressed in Section 1 of this Article and for such other purposes as the Association shall have within its powers and from time to time elect to undertake.

Section 4. Special Assessments. In addition to the regular and capital improvement assessments which are or may be levied hereunder, the Association (through the Board of Directors) shall have the right to levy special assessments against an Owner(s) to the exclusion of other Owners for (i) the repair or replacement of damage to any portion of the Common

Areas (including, without limitation, improvements and landscaping thereon) caused by the misuse, negligence or other action or inaction of an Owner or his Member's Permittee(s) or (ii) the costs of work performed by the Association in accordance with Article VI of this Declaration (together with any surcharges collectible thereunder). Any such special assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure procedures and late charges and interest. Any special assessment levied hereunder shall be due within the time specified by the Board of Directors in the action imposing such assessment or may be of an ongoing nature, as provided in Article VI, hereof.

Section 5. Capital Improvements. Funds which, in the aggregate, exceed the lesser of $50,000.00 or 10% of the total amount of the current operating budget of the Association in any one fiscal year which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance, including repairs and replacement per Article XI hereof) relating to the Common Areas and which have not previously been collected as reserves or are not otherwise available to the Association (other than by borrowing) shall be levied by the Association as assessments only upon approval of a majority of the Board of Directors of the Association and upon approval by two-thirds (2/3) favorable vote of the Members of the Association. The costs of any of the aforesaid work which are less than the above-specified threshold amount shall be collected as general or special assessments upon approval of a majority of the Association's Board of Directors.

Section 6. Date of Commencement of Annual Assessments; Due Dates. The annual regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31.

The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors of the Association (absent which determination they shall be payable monthly).

The assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, at any appropriate time during the year), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any special assessment or capital improvement assessment shall be fixed in the Board resolution authorizing such assessment.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against the Lots subject

to the Association's jurisdiction for each assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto twenty (20) days prior to payment of the first installment thereof, except as to special assessments. In the event no such notice of the assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of Developer) for management services, including the administration of budgets and assessments as herein provided. The Association shall have all other powers provided in its Articles of Incorporation and By-Laws.

Section 8. Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association. If the assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such assessments (or installments) shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 8 of this Article to the contrary, the personal obligation of Owner to pay such assessment shall pass to his successors in title and recourse may be had against either or both.

If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges; provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid) or the next twelve (12) months' worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest from the dates when due until paid at the highest lawful rate (or, if there is no highest lawful rate, 18% per annum) and the Association may bring an action at law against the Owner(s) personally obligated to pay the same, may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the assessments and late charges are unpaid, may foreclose the lien against the Lot on which the assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively, and attorneys' fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such assessments, late charges and interest secured by the lien, and in the event a

judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred together with the costs of the action, through all applicable appellate levels.

In the case of an acceleration of the next twelve (12) months' of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Lot shall be levied by the Association for such purpose.

In addition to the rights of collection of assessments stated in this Section, the Association may suspend the rights of an Owner or the Owner's Member's Permittees to use any Common Area facilities; provided, however, the decision to do so shall be made by the Fine Committee following the same process as set forth for imposing fines per Article IX hereof.

All assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

Section 9. Subordination of the Lien. The lien of the assessments provided for in this Article shall be subordinate to real property tax liens and the lien of any first mortgage; provided, however, that any such mortgage lender when in possession or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgage lender acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser or mortgage lender, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place. The lien herein provided shall also be subordinate to the lien for assessments created in the Foundation Covenants.

Section 10. Developer's Assessments. Notwithstanding anything herein to the contrary, Developer shall have the option, in its sole discretion, to (i) pay assessments on the Lots owned by it, (ii) pay assessments only on certain designated Lots (e.g., those under construction or those containing a Unit for which a certificate of occupancy has been issued) or (iii) not pay assessments on any Lots and in lieu thereof fund any resulting deficit in the Association's operating expenses not produced by assessments receivable from Owners other than Developer and any other income receivable by the Association. The deficit to be paid under option (iii), above, shall be the difference between (a) actual operating expenses of the Association (i.e., expenses exclusive of capital improvement costs and reserves) and (b) the sum of all monies receivable by the Association (including, without limitation, assessments, interest, late charges,

fines and incidental income) and any surplus carried forward from the preceding year(s). Developer may from time to time change the option under which Developer is making payments to the Association by written notice to such effect to the Association. If Developer at any time elects option (ii), above, it shall not be deemed to have necessarily elected option (i) or (iii) as to the Lots which are not designated under option (ii). When all Lots within The Properties are sold and conveyed to purchasers, neither Developer nor its affiliates shall have further liability of any kind to the Association for the payment of assessments, deficits or contributions.

Section 11. Association Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special and capital assessments, shall be held by the Association and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

ARTICLE VI

MAINTENANCE OF UNITS, LOTS AND LIMITED COMMON AREAS

Section 1. Exteriors of Units. The Owner of a Lot shall maintain all exterior surfaces and roofs, facias and soffits of the structures (including the Unit) and other improvements located on the Lot (including driveway and sidewalk surfaces) in a neat, orderly and attractive manner. The aforesaid maintenance shall include maintaining screens (including screen enclosures), windows and doors (including the wood and hardware of garage doors and sliding glass doors). The minimum (though not sole) standard for the foregoing shall be consistency with the general appearance of The Properties as initially constructed and otherwise improved (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness). The Owner shall clean, repaint or restain, as appropriate, the exterior portions of each Unit (with the same colors as initially used on the Unit), including exterior surfaces of garage doors, as often as is necessary to comply with the foregoing standards.

Section 2. Lots. The Owner shall maintain and irrigate the trees, shrubbery, grass and other landscaping on each Lot in a neat, orderly and attractive manner and consistent with the general appearance of The Properties as a whole. The minimum (though not sole) standard for the foregoing shall be the general appearance of The Properties as initially landscaped (such standard being subject to being raised by virtue of the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained).

Section 3. Right of Entry. In addition to such other remedies as may be available under this Declaration, in the event that an Owner fails to maintain a Unit or Lot, the Association shall have the right to enter upon the Lot in question and perform such duties; provided, however, that such entry shall be during reasonable hours and only after five (5)

days' prior written notice. The Owner having failed to perform its maintenance duties shall be liable to the Association for the costs of performing such remedial work and shall pay an additional administrative charge of Twenty-Five Dollars ($25.00), all such sums being payable upon demand and to be secured by the lien provided for in Article V hereof.

Section 4. Limited Common Areas. Each Owner shall maintain, in accordance with the standards set forth in this Article, the Limited Common Areas located between (i) the street-side boundary line(s) of the Owner's Lot (i.e., where applicable, the edge of the common sidewalk closest to the Unit) and the edge of the street's pavement and (ii) the projections of the side boundary lines of the Lot to such pavement's edge.

Without limiting the generality of the foregoing, each Owner shall be responsible for the maintenance of any portion of his driveway located in his respective Limited Common Area as well as any mailbox, sidewalk, grass or other plant material located therein; provided, however, that if the Board of Directors of the Association (after consultation with the applicable Neighborhood Committee) so elects, the Association may perform all or any portion of such maintenance obligations, on an ongoing or isolated basis, for purposes such as achieving an economy of scale or providing for uniform appearance throughout the applicable Neighborhood. In such event, the costs of such maintenance shall be borne only by the Owners within the affected Neighborhood in accordance with Article V, Section 2 hereof.

ARTICLE VII

CERTAIN USE RESTRICTIONS

Section 1. Applicability. The provisions of this Article VII shall be applicable to all of The Properties but shall not be applicable to Developer or any of its designees or Lots or other property owned by Developer or its designees.

Section 2. Land Use and Building Type. No Lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes, or as a related garage , if applicable. No building shall be erected, altered, placed or permitted to remain on any Lot other than one Unit. Temporary uses by Developer and its affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such uses, shall be permitted until the permanent cessation of such uses takes place. No changes may be made in buildings erected by Developer or its affiliates (except if such changes are made by Developer) without the consent of the Architectural Control Board.

Section 3. Opening Blank Walls; Removing Fences. Without limiting the generality of Section 11 of this Article, no Owner shall make or permit any opening to be made in any blank wall (except as such opening is initially installed) or masonry wall or fence. Further, no such building wall or masonry wall or fence, if any, shall be demolished or removed without the prior written consent of Developer (so long as it owns any portion of The Properties) and

the Architectural Control Board. Developer shall have the right, but not be obligated, to assign all or any portion of its rights and privileges under this Section to the Association.

Section 4. Easements. Easements for the installation and maintenance of utilities and Community Systems are reserved as shown on the recorded plats covering The Properties and/or as provided herein. The area of each Lot covered by an easement and all improvements in such area shall be maintained continuously by the Association to the extent provided herein, except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association, and Developer and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance, all underground, of water lines, sanitary sewers, storm drains, and electric, telephone and Community System lines, cables and conduits, under and through the utility easements as shown on the plats.

Section 5. Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the occupants of other Lots. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which shall render a decision in writing, which decision shall be dispositive of such dispute or question. ALL PERSONS ARE REFERRED TO ARTICLE XV, SECTION 11 HEREOF WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 6. Temporary Structures; Gas Tanks; Other Outdoor Equipment. Except as may be approved or used by Developer during construction and/or sales periods, no structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within The Properties at any time or used at any time as a residence, either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Unit or on or about any ancillary building, except for gas tanks which are used for swimming pool heaters which are screened from view, one (1) gas cylinder (not to exceed 20 lbs. capacity) connected to a barbecue grill and/or such other tank as is designed and used for household purposes and approved by the Architectural Control Board. Any outdoor equipment such as, but not limited to, pool pumps and water softening devices shall be completely screened from the view of anyone not standing on the Lot by the use of landscaping or other means (in any event, as approved by the Architectural Control Board); provided, however, that the use of such screening shall not obviate the requirement that the installation of any such equipment nevertheless be approved by the Architectural Control Board.

Section 7. Signs. No sign of any kind shall be displayed to the public view on any Lot except for the following:

(a) The exclusive sales agent for the Developer may place one professional sign advertising the Unit for sale.

(b) One sign of not more than one (1) square foot which may be used to indicate the name of the resident(s) of the Unit.

(c) One (1) "for sale" or "for rent" sign may be displayed under the following conditions:

a. The sign may identify the property, the owner or agent and the address and telephone number of the owner or agent relative to the premises upon which the sign is located.

b. The face surface of such sign shall not be larger than twelve (12) inches in width and eight (8) inches in height square inches, provided, however, that it shall be permissible to attach thereto one of the following additional signs not exceeding twelve (12) inches in width and two and one half (2 1/2) inches in height and containing the wording:

A. BY APPOINTMENT ONLY
B. OPEN
C. POOL
D. REALTOR/ASSOCIATE NAME
E. RENTAL/FOR RENT

c. The sign shall be constructed of metal, plastic, wood or pressed wood and shall be fastened to a supporting member constructed of angle iron not exceeding one (1) inch by one (1) inch or a two (2) inch by two (2) inch wooden post, provided that said supporting member shall be all white or all black in color and have no letters or numbers upon it.

d. The supporting member shall be driven into the ground to provide that the top of the face of such sign shall not be more than four (4) feet above the finished grade of the ground.

e. All such signs shall be lettered professionally, but such signs shall not be required to be submitted to the Association for approval.

f. Such sign shall be so erected or placed that its center line is parallel or perpendicular to the front property line.

g. Such sign shall not be erected or placed closer than five (5) feet from the front of the property line (as opposed to the adjacent street, if different).

h. Nothing contained herein shall be construed as prohibiting the same wording from being on both the front and the back of the sign.

i. Where such sign is suspended from an arm of the support, such arm shall not exceed a length of sixteen (16) inches.

j. All such signs shall be erected on a temporary basis.

k. Such sign shall be kept in good repair and shall not be illuminated or constructed of a reflective material and shall not contain any flags, streamers, movable items or like devices.

l. Any such sign shall be removed within five (5) days from the date a binding agreement is entered into for the sale, lease or rental of the property or immediately upon the removal of the property from the market, whichever occurs first.

m. No sign shall be placed on any Common Areas.

Without limiting the generality of Article XI hereof, in the event that similar requirements of the Foundation are more restrictive than those set forth herein, such more restrictive requirements shall supersede and control.

Section 8. Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in The Properties. 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 land subject to these restrictions. ALL PERSONS ARE REFERRED TO ARTICLE XVI SECTION 11 WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 9. Pets, Livestock and Poultry. No animals, reptiles, wildlife, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except no more than two (2) household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any neighbor by reason of barking or otherwise. No dogs or other pets shall be permitted to have excretions on any Common Areas, except areas designated by the Association, if any, and Owners shall be responsible to clean-up any such excretions. For purposes hereof, "household pets" shall mean dogs, cats and other animals expressly permitted by the Association, if any. ALL PETS SHALL BE KEPT ON A LEASH WHEN NOT IN THE APPLICABLE UNIT OR FULLY ENCLOSED IN REAR YARD. Pets shall also be subject to all applicable rules and regulations. Nothing contained herein shall prohibit the keeping of fish or domestic (household-type) birds, as long as the latter are kept indoors and do not become a source of annoyance to neighbors.

Section 10. Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted; provided that the Association shall not be

liable in any manner to any person or entity, including Owners and Members Permittees, for any damages, injuries or deaths arising from any violation of this Section.

Section 11. Architectural Control. No building or other structure or improvement of any nature (including, but not limited to, pools, screen enclosures, patios or patio extensions, hedges, other landscaping, exterior paint or finish, awnings, shutters, hurricane protection, basketball hoops, swing sets or play apperati, decorative plaques or accessories, birdhouses, other pet houses, statues and other lawn ornaments, swales, asphalting, sidewalk/driveway surfaces or treatments or other improvements or changes of any kind, even if not permanently affixed to the land or to other improvements) shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Architectural Control Board (which shall be a committee appointed by the Board of Directors of the Association, absent such appointment the Board to serve in such capacity) have been approved, if at all, in writing by the Architectural Control Board and all necessary governmental permits are obtained. Fences, walls and similar improvements shall be governed by Section 15 of this Article. Conversions of garages to living space or other uses are hereby prohibited, even though same are not readily apparent from the exteriors of applicable Units. Each building, wall, fence (if any) or other structure or improvement of any nature, together with landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved and applicable governmental permits and requirements. Refusal of approval of plans, specifications and location plans, or any of them, may be based on any grounds, including purely aesthetic ones, which in the sole and uncontrolled discretion of said Architectural Control Board are deemed sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of landscaping, shall be deemed an alteration requiring approval. The Architectural Control Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. A majority of the Board may take any action the Board is empowered to take, may designate a representative to act for the Board and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Board, the remaining members shall have full authority to designate a successor. The members of the Board shall not be entitled to any compensation for services performed pursuant to this covenant, unless engaged by the Association in a professional capacity. The Architectural Control Board shall act on submissions to it within forty-five (45) days after receipt of the same (and all further documentation required by it) or else the request shall be deemed approved.

No request for approval shall be valid or require any action unless and until all assessments on the applicable Lot (and any interest and late charges thereon) have been paid in full.

In light of the fact that the types, styles and locations of Units may differ among the Neighborhoods, in approving or disapproving requests submitted to it hereunder the Architectural Control Board may vary its standards among the Neighborhoods to reflect such

differing characteristics. Accordingly, the fact that the Architectural Control Board may approve or disapprove a request pertaining to a Lot in one Neighborhood shall not serve as precedent for a similar request from an Owner in another Neighborhood where the latter has relevant characteristics differing from the former. In determining standards for architectural approval in specific Neighborhoods, the Architectural Control Board may, but shall not be required to, consult with the applicable Neighborhood Committee in such regard, provided that the Architectural Control Board shall be the final authority in determining and enforcing such standards.

In the event that any new improvement or landscaping is added to a Unit/Lot, or any existing improvement on a Lot is altered, in violation of this Section, the Association shall have the right (and an easement and license) to enter upon the applicable Lot and remove or otherwise remedy the applicable violation after giving the Owner of the Lot at least ten (10) days' prior written notice of, and opportunity to cure, the violation in question. The costs of such remedial work and a surcharge of a minimum of $25.00 (but in no event more than thirty-five percent (35%) of the aforesaid costs) shall be a special assessment against the Lot, which assessment shall be payable upon demand and secured by the lien for assessments provided for in this Declaration.

The approval of any proposed improvements or alterations by the Architectural Control Board shall not constitute a warranty or approval as to, and neither the Association nor any member or representative of the Architectural Control Board or the Board of Directors shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations.

The Architectural Control Board may, but shall not be required to, require that any request for its approval be accompanied by the written consent of the Owners of the Lots [up to five (5)] adjoining or nearby the Lot/Unit proposed to be altered or further improved as described in the request.

Without limiting the generality of Section 1 hereof, the foregoing provisions shall not be applicable to Developer or its affiliates or designees or to Builders (to the extent provided in Article X hereof).

Section 12. Commercial Vehicles, Trucks, Trailers, Campers and Boats. No trucks (other than those of a type, if any, expressly permitted by the Association) or commercial vehicles, or campers, mobile homes, motorhomes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or horse vans, shall be permitted to be parked or to be stored at any place on The Properties, nor in dedicated areas,

except in (i) enclosed garages or (ii) spaces for some or all of the above specifically designated by Developer or the Association, if any. For purposes of this Section, "commercial vehicles" shall mean those which are not designed and used for customary, personal/family purposes. The absence of commercial-type lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle. The prohibitions on parking contained in this Section shall not apply to temporary parking of trucks and commercial vehicles, such as for construction use or providing pick-up and delivery and other commercial services, nor to passenger-type vans with windows for personal use which are in acceptable condition in the sole opinion of the Board (which favorable opinion may be changed at any time), nor to any vehicles of Developer or its affiliates.

All Owners and other occupants of Units are advised to consult with the Association prior to purchasing, or bringing onto The Properties, any type of vehicle other than a passenger car inasmuch as such other type of vehicle may not be permitted to be kept within The Properties.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

Section 13. Parking on Common Areas and Lots/Garages. No vehicles of any type shall be parked on any portion of the Common Areas (including roadways) except to the extent, if at all, a portion(s) of the Common Areas is specifically designated for such purposes.

All Owners and Members Permittees shall use at least one (1) space in their respective garages for the parking of a vehicle. In the event that such a party keeps a boat on a trailer (or some other vehicle or trailer) in the party's garage, the other space shall still be used for vehicular parking. Garage doors shall be kept closed at all times except when in actual use and during reasonably limited periods when the garage is being cleaned or other activities are being conducted therefrom which reasonably require the doors to be left open.

No parking shall be permitted on any portion of a Lot except its driveway and garage.

Section 14. Garbage and Trash Disposal. No garbage, refuse, trash or rubbish (including materials for recycling) shall be placed outside of a Unit except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company or association for disposal or collection of waste shall be followed. All

equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within 12 hours of collection. In the event that an Owner or occupant of a Lot keeps containers for recyclable materials thereon, same shall be deemed to be refuse containers for the purposes of this Section.

Section 15. Fences, Walls and Hedges. No fence, wall or other structure shall be erected on any Lot, and no hedge shall be planted, except as originally installed by Developer or its affiliates or approved by the Architectural Control Board. In considering any request for the approval of a fence or wall or a hedge or other landscaping, the Architectural Control Board shall give due consideration to the possibility of same obstructing the view from any adjoining Lot or Common Area and may condition its approval on the hedge or other landscaping being kept to a specific height. All persons are advised that many fences and walls may be prohibited altogether or, if approved, may be subject to stringent standards and requirements.

Section 16. No Drying. No clothing, laundry or wash shall be aired or dried on any portion of The Properties except on a portion of a Lot which is completely screened from the view of all persons other than those on the Lot itself.

Section 17. Lakefront Property. As to all portions of The Properties which have a boundary contiguous to any lake or other body of water, the following additional restrictions and requirements shall be applicable:

(a) No boathouse, dock, wharf or other structure of any kind shall be erected, placed, altered or maintained on the shores of the lake unless erected by Developer or its affiliates.

(b) No boat, boat trailer or vehicular parking or use of lake slope or shore areas shall be permitted. No boats of any type shall be used on any lake which is part of the Common Areas.

(c) No solid or liquid waste, litter or other materials may be discharged into/onto or thrown into/onto any lake or other body of water or the banks thereof.

(d) Each applicable Owner shall maintain his Lot to the line, of adjoining the Lot, of the water in the adjacent lake or other water body, as such line may change from time to time by virtue of changes in water levels.

(e) No landscaping (other than that initially installed or approved by Developer), fences, structures or other improvements (regardless of whether or not same are permanently attached to the land or to other improvements) shall be placed within any lake maintenance or similar easements around lakes or other bodies of water.

(f) Any boats kept on The Properties shall be screened from view.

(g) Any boats operated on lakes or other waterbodies owned by, or dedicated to, the ITCDD shall be the regulatory responsibility thereof and not that of the Association (which has no jurisdiction over such areas).

WITH RESPECT TO WATER LEVELS AND QUALITY AND OTHER WATERBODY-RELATED MATTERS, ALL PERSONS ARE REFERRED TO ARTICLE XVI, SECTION 12 HEREOF.

Section 18. Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Control Board for energy conservation purposes.

Section 19. Exterior Antennas. No exterior antennas, satellite dishes or similar equipment shall be permitted on any Lot or improvement thereon, except that Developer and its affiliates shall have the right to install and maintain Community systems and the Association may permit antennae designed to appear as a patio umbrella or other item which would otherwise be permitted within The Properties.

Notwithstanding the foregoing, a satellite receiving dish may be installed on a Lot if, but only if, the following conditions are met (i) the diameter shall be twenty-four inches (24") or less and a mounted height of not more than six feet (6'), (ii) it shall not be installed on, or attached to, any portion of a Unit including, without limitation, a roof, wall or the front, side or back of the Unit and (iii) it shall be reasonably screened from view from all adjoining properties (the determination of what constitutes reasonable screening to be made by the Architectural Control Board).

Section 20. Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the Architectural Control Board and with such Board's approval. Such standards shall be reasonably calculated to maintain the aesthetic integrity of The Properties without making the cost of the aforesaid devices prohibitively expensive.

Section 21. Driveway and Sidewalk Surfaces. No Owner shall install on a Lot, and the Architectural Control Board shall not approve, any sidewalk or driveway which has a surface material and/or color which is different from the materials and colors originally used or approved by the Developer. Further, no Owner shall change any existing sidewalk or driveway in a manner inconsistent with this Section.

Section 22. Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained upon the exterior portion of any Lot without the prior approval of the Architectural Control Board.

Section 23. Gatehouse Procedures; Roving Patrols. All Owners shall be responsible for complying with and ensuring that their Members' Permitees and invitees comply with, all procedures adopted for controlling access to and upon The Properties through any gatehouse serving The Properties or any portion thereof as well as Common Area roadways and other portions of the Common Areas, as such procedures and restrictions are adopted and amended from time to time.

ALL PERSONS ARE HEREBY NOTIFIED THAT DURING THE INITIAL STAGES OF THE DEVELOPMENT OF THE PROPERTIES, ANY GATEHOUSE MAY NOT BE OPERATED AT ALL OR MAY BE OPERATED ONLY DURING CERTAIN HOURS AND/OR ON CERTAIN DAYS. FURTHER, DURING SUCH PERIOD OF TIME ANY GATEHOUSE WHICH IS DESIGNED TO ACCOMMODATE STAFFING MAY, INSTEAD, BE OPERATED SOLELY ON AN ELECTRONIC GATE BASIS, THE ULTIMATE DECISION AS TO WHEN (OR IF, AT ALL) TO STAFF A GATEHOUSE TO BE MADE BY THE BOARD OF DIRECTORS OF THE ASSOCIATION AT AN APPROPRIATE TIME.

ALL OWNERS AND OTHER OCCUPANTS OF UNITS ARE FURTHER ADVISED THAT ANY GATEHOUSE STAFF AND SYSTEM, AS WELL AS ANY ROVING PATROL/SURVEILLANCE PERSONNEL, SERVING THE PROPERTIES ARE NOT LAW ENFORCEMENT OFFICERS AND ARE NOT INTENDED TO SUPPLANT SAME, SUCH PERSONS BEING ENGAGED, IF AT ALL, ONLY FOR THE PURPOSE OF MONITORING ACCESS TO THE PROPERTIES AND OBSERVING ACTIVITIES THEREIN WHICH ARE READILY APPARENT BY SUCH PERSONS.

Section 24. Variances. The Board of Directors of the Association shall have the right and power to grant variances from the provisions of this Article VII and from the Association's rules and regulations for good cause shown, as determined in the reasonable discretion of the Board. No variance granted as aforesaid shall alter, waive or impair the operation or effect of the provisions of this Article VII in any instance in which such variance is not granted.

Section 25. Additional Rules and Regulations. Attached hereto as Schedule "A" are certain additional rules and regulations of the Association which are incorporated herein by this reference and which, as may the foregoing, may be modified, in whole or in part, at any time by the Board without the necessity of recording an amendment hereto or thereto in the public records. The Board of Directors may adopt rules and regulations applicable to a specific Neighborhood(s) in order to reflect any unique characteristics thereof.

ARTICLE VIII

RESALE, LEASE AND OCCUPANCY RESTRICTIONS

Section 1. Estoppel Certificate; Documents. No Owner, other than Developer, may sell or convey his interest in d Lot unless all sums due the Association are paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefor. The Owner requesting the certificate may be required by the Association to pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate.

Owners shall be obligated to deliver the documents originally received from Developer, containing this and other declarations and documents, to any grantee of such Owner.

Section 2. Leases. No portion of a Lot or Unit (other than an entire Lot and Unit) may be rented. All leases shall be in writing and shall provide (or be automatically deemed to provide) that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association and its applicable rules and regulations or other applicable provisions of any agreement, document or instrument governing The Properties or administered by the Association. The leasing of Lots and Units shall also be subject to the prior written approval of the Association, which approval shall not be unreasonably withheld and which shall be deemed given if the Association does not deny approval within fifteen (15) days of its receipt of a request for approval together with a copy of the proposed lease and all supporting information reasonably requested by the Association.

Owners wishing to lease their Lots and Units may, if the Board of Directors so elects, be required to place in escrow with the Association a sum of up to $500.00 which may be used by the Association to repair any damage to the Common Areas or other portions of The Properties resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Association shall not be required to pay or remit any interest on any such escrowed funds. 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. Any balance remaining in the escrow account, less an administrative charge not to exceed $50.00 and exclusive of any interest retained by the Association, shall be returned to the Owner within ninety (90) days after the tenant vacates the Unit.

Section 3. Members' Permittees. No Lot or Unit shall be occupied by any person other than the Owner(s) thereof or the applicable Members' Permittees and in no event other than as a residence. For purposes of this Declaration, a Member's Permittees shall be the following persons and such persons' families, provided that the Owner or other permitted occupant must reside with his/her family: (i) an individual Owner(s), (ii) an officer, director, stockholder or

employee of a corporate owner, (iii) a partner in or employee of a partnership owner, (iv) a fiduciary or beneficiary of an ownership in trust, or (v) occupants named or described in a lease or sublease, but only if approved in accordance with this Declaration. Under no circumstances may more than one family reside in a Unit at one time. In no event shall occupancy (except for temporary occupancy by guests) exceed two (2) persons per bedroom and one (1) person per den (as defined by the Association for the purpose of excluding from such definition living rooms, dining rooms, family rooms, country kitchens and the like). The Board of Director shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this Section shall not be applicable to Units used by Developer for model homes, sales offices, management services or otherwise.

As used herein, "family" or words of similar import shall be deemed to include a spouse, children, parents, brothers, sisters, grandchildren and other persons permanently cohabiting the Unit as or together with the Owner or permitted occupant thereof. As used herein, "guest" or words of similar import shall include only those persons who have a principal residence other than the Unit. Unless otherwise determined by the Board of Directors of the Association, a person occupying a Unit for more than one (1) month shall not be deemed a guest but, rather, shall be deemed a lessee for purposes of this declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provisions of this Declaration which apply to leases and lessees. The purpose of this paragraph is to prohibit the circumvention of the provisions and intent of this Article and the Board of Directors of the Association shall enforce, and the Owners comply with, same with due regard for such purpose.

ARTICLE IX

ENFORCEMENT

Section 1. Compliance by Owners. Every Owner and Member's Permittee shall comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

Section 2. Enforcement. Failure of an Owner or his Member's Permittee to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate 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 the rights of use of Common Areas (except for legal access) of defaulting Owners. The offending Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

Section 3. Fines. In addition to all other remedies, and to the maximum extent lawful, a fine or fines, or suspension of the right to use Common Area facilities (if any), may be

imposed upon an Owner for failure of an Owner or his Member's Permittees to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Fine Committee (described below) at which time the Owner shall present reasons why a fine(s) should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

(b) Hearing: The alleged non-compliance shall be presented to the Fine Committee after which the Fine Committee shall hear reasons why a fine(s) should not be imposed. A written decision of the Fine Committee shall be submitted to the Owner by not later than twenty-one (21) days after the Fine Committee's meeting. The Owner shall have a right to be represented by counsel and to cross examine witnesses.

(c) Amounts: The Fine Committee (if its findings are made against the Owner) may impose a special assessment (i.e., fine) against the Lot owned by the Owner in an amount up to Fifty Dollars ($50.00).

(d) Payment of Fines: Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments, and the lien securing same, as set forth herein.

(f) Application of Proceeds: All monies received from fines shall be allocated as directed by the Board of Directors.

(g) Non-exclusive Remedy: These 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; provided, however, 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.

(h) Fine Committee: The Fine Committee shall be composed of at least three (3) Members appointed by the Board of Directors, which Members shall not be officers, directors or employees of the Association or the spouse, parent, child, brother or sister of an officer, director or employee of the Association. If the Fine Committee does not, by majority vote, approve a proposed fine or suspension of Common Area facility use rights (as provided elsewhere in this Declaration), then such fine or suspension shall not be imposed. The Fine Committee may adopt procedural rules and regulations for the conduct of its affairs including, without limitation, rules establishing when a violation

of a continuing nature shall constitute a separate violation for each stated time period the violation continues.

ARTICLE X

PROVISOS AS TO BUILDERS

Section 1. Preamble. In light of the benefits accruing to the Developer, Owners and the Association by virtue of the orderly and efficient development of The Properties not only by Developer but also by independent Builders, this Article has been adopted to further such benefits as well as to cause this Declaration to accurately and reasonably reflect the operations and needs of Builders.

Section 2. Voting and Assessments. All Builders shall be Class A Members of the Association and shall have all rights, benefits, duties and obligations pertaining to such class of membership. A Builder shall have one (1) vote for each Lot owned by it and shall pay the same rate of assessment on each such Lot as would any other Class A Member/Owner; provided, however, that (i) in the event that a Builder owns a portion of The Properties which has not been platted or otherwise subdivided into Lots, such property shall, for purposes of this Declaration, be deemed to contain such number of Lots as a provided in the Supplemental Declaration subjecting the Builder's portion of The Properties to this Declaration (absent which the property to be deemed to contain the number of Lots permitted to be located thereon by applicable land use ordinances or approvals) and (ii) Developer hereby reserves the right to vary the aforesaid rate of assessment payable by a Builder by so providing in a Supplemental Declaration, regardless of whether or not the Builder's portion of The Properties has been subdivided into Lots as aforesaid.

Section 3. Architectural Control. For purposes of the exemption of Developer and its designees as set forth in Article VII, Section 10 hereof, a Builder shall be deemed a designee of Developer and therefore exempt from architectural review/approval requirements if, but only if, the Builder is subject to deed restrictions imposed by the Developer which govern matters such as plan approval and construction activities. The foregoing exemption shall not, however, apply once the Builder has completed a Unit on a Lot and has received Developer's final approval thereof, the purpose hereof being to require the Architectural Control Board's approval of any alterations of such construction once same are completed.

Section 4. Use Restrictions. In addition to the architectural control exemptions set forth in the immediately preceding Section, no Builder shall be deemed to be in violation of any of the other restrictions or requirements of Article VII of this Declaration by virtue of any activities which are normally and customarily associated with the construction of Units (or the development of land therefore) of the number, nature and type being constructed/developed by the Builder. Notwithstanding the foregoing, no Builder may make any installations which, once installed, would constitute a violation of Article VII of this Declaration. By way of

example only, the privileges granted to Builders hereunder may not extend to permit the installation of prohibited gas tanks, obstructions of visibility at intersections, window-mounted air conditioning units, exterior antennas or artificial vegetation. **Further, notwithstanding the foregoing, all Builders shall be subject to the sign restrictions set forth in Article VII, Section 6 of this Declaration (except for the required posting of building permits and similar documents) and to the provisions of Article VIII hereof.**

ARTICLE XI

DAMAGE OR DESTRUCTION TO COMMON AREAS

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

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

(b) If the insurance proceeds are within Five Hundred Thousand Dollars ($500,000.00) or less of being sufficient to effect total restoration of the Common Areas, then the Association shall cause such portions of the Common Areas to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a capital special (and not capital improvement) assessment against each of the Owners in equal shares in accordance with the provisions of Article V of this Declaration.

(c) If the insurance proceeds are insufficient by more than Five Hundred Thousand Dollars ($500,000.00) to effect total restoration of the Common Areas, then by written consent or vote of a majority of each class of the Members, they shall determine, subject to Article XIII hereof, whether (1) to rebuild and restore the Common Areas in substantially the same manner as they existed prior to damage and to raise the necessary funds over the insurance proceeds by levying capital improvement assessments against all Members, (2) to rebuild and restore in a way which is less expensive than replacing the Common Areas in substantially the same manner as they existed prior to being damaged, or (3) subject to the approval of the Board, to not rebuild and to retain the available insurance proceeds.

(d) Each Member shall be liable to the Association for any damage to the Common Areas not fully covered by collected insurance which may be sustained by reason of the negligence or willful misconduct of any Member or his Member's Permittees. Notwithstanding the foregoing, the Association reserves the right to charge such Member an assessment equal to the increase, if any, in the insurance premium

directly attributable to the damage caused by such Member. In the case of joint ownership of a Unit, the liability of such Member shall be joint and several. The cost of correcting such damage shall be an assessment against the Member and may be collected as provided herein for the collection of assessments.

ARTICLE XII

INSURANCE

Section 1. Common Areas. The Association shall keep all improvements (exclusive of landscaping and other improvements not commonly insured or insurable), facilities and fixtures located within the Common Areas insured against loss or damage by fire or other casualty for the full insurable replacement value thereof (with reasonable deductibles and normal exclusions for land, foundations, excavation costs and similar matters), and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance for and on behalf of itself and all Members. The insurance coverage with respect to the Common Areas shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the assessments made by the Association.

To the extent obtainable at reasonable rates, the insurance policy(ies) maintained by the Association shall contain provisions, or be accompanied by endorsements, for: agreed amount and inflation guard, demolition costs, contingent liability from operation of building laws and increased costs of construction.

All insurance policies shall contain standard mortgagee clauses, if applicable.

The Association shall also maintain flood insurance on the insurable improvements on the Common Areas in an amount equal to the lesser of 100% of the replacement costs of all insurable improvements (if any) within the Common Areas or the maximum amount of coverage available under the National Flood Insurance Program, in either case if the insured improvements are located within an "A" flood zone.

Section 2. Replacement or Repair of Property. In the event of damage to or destruction of any portion of the Common Areas, the Association shall repair or replace the same from the insurance proceeds available, subject to the provisions of Article XI of this Declaration.

Section 3. Waiver of Subrogation. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and

releases all claims against the Board, the Members, Developer and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 4. Liability and Other Insurance. The Association shall have the power to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, with coverage of at least $1,000,000.00 (if available at reasonable rates and upon reasonable terms) for any single occurrence, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a cross liability endorsement insuring each Member against liability to each other Member and to the Association and vice versa and coverage for legal liability resulting from lawsuits related to employment contracts shall also be maintained. The Association may also obtain Worker's Compensation insurance and other liability insurance as it may deem desirable, insuring each Member and the Association and its Board of Directors and officers, from liability in connection with the Common Areas, the premiums for which shall be Common Expenses and included in the assessments made against the Members. The Association may also obtain such other insurance as the Board deems appropriate. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion.

The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board or any management company engaged by the Association against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or any committee thereof. At a minimum, however, there shall be blanket fidelity bonding of anyone (compensated or not) who handles or is responsible for funds held or administered by the Association, with the Association to be an obligee thereunder. Such bonding shall cover the maximum funds to be in the hands of the Association or management company during the time the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three (3) months' of regular assessments, plus all reserve funds.

Section 5. "Blanket" Insurance. The requirements of this Article may be met by way of the Association being an insured party under any coverage carried by the Developer or under coverage obtained by the Association together with any other association(s) located within The Falls, including, without limitation, The Foundation, in any event, as long as such coverage is in accordance with the amounts and other standards dated in this Article.

ARTICLE XIII

MORTGAGEE PROTECTION

The following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) The Association shall be required to make available to all Owners and Mortgagees, and to insurers and guarantors of any first Mortgage, for inspection, upon request, during normal business hours or under other reasonable circumstances, current copies of this Declaration (with all amendments) and the Articles, By-Laws and rules and regulations and the books and records of the Association. Furthermore, such persons shall be entitled, upon written request, to (i) receive a copy of the Association's financial statement for the immediately preceding fiscal year, (ii) receive notices of and attend the Association meetings, (iii) receive notice from the Association of an alleged default by an Owner in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation or the By-Laws of the Association, which default is not cured within thirty (30) days after the Association learns of such default, and (iv) receive notice of any substantial damage or loss to the Common Areas.

(b) Any holder, insurer or guarantor of a Mortgage on a Unit shall have, if first requested in writing, the right to timely written notice of (i) any condemnation or casualty loss affecting a material portion of the Common Areas, (ii) a sixty (60) day delinquency in the payment of the Assessments on a mortgaged Lot, (iii) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, and (iv) any proposed action which requires the consent of a specified number of Mortgage holders.

(c) Unless at least 66-2/3% of first Mortgagees (based upon one vote for each Mortgage owned), and the Members holding at least two-thirds (2/3rds) of the votes entitled to be cast by them, have given their prior written approval, neither the Association nor the Owners shall:

(1) by act or omission seek to sell or transfer the Common Areas and any improvements thereon which are owned by the Association the granting of easements for utilities or for other such purposes consistent with the intended use of such property by the Association or the Declarant or the transfer of the Common Areas to another similar association of the Owners in accordance with the Articles of Incorporation of the Association or dedication of such property to the public shall not be deemed a transfer within the meaning of this clause);

(2) change the basic methods of determining the obligations, assessments, dues or other charges which may be levied against a Lot, except as provided herein with respect to future Lots;

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

(4) fail to maintain fire and extended insurance on insurable portions of the Common Areas as provided herein; or

(5) use hazard insurance proceeds for losses to any Common Areas for other than the repair, replacement or reconstruction of the improvements.

ARTICLE XIV

RELATIONSHIPS BETWEEN FOUNDATION AND ASSOCIATION

Section 1. Preamble. In order to ensure the orderly development, operation and maintenance of The Properties as an integrated part of The Falls, this Article has been promulgated for the purposes of (1) giving the Foundation and the Association certain powers to effectuate such goal, (2) providing for intended (but not guaranteed) economies of scale and (3) establishing the framework of the mechanism through which the foregoing may be accomplished.

Section 2. Cumulative Effect; Conflict. The covenants, restrictions and provisions of this Declaration shall be cumulative with those of the Foundation Covenants; provided, however, that in the event of conflict between or among such covenants, restrictions and provisions, or any Articles of Incorporation, By-Laws, rules and regulations, policies or practices adopted or carried out pursuant thereto, those of this Declaration shall be subject and subordinate to those of the Foundation Covenants. The foregoing priorities shall apply, but not be limited to, the liens for assessments created in favor of the Foundation and the Association (as provided in Article VI, Section 8 hereof).

Section 3. Architectural Control, Maintenance and Use Restrictions. Initially, all architectural control/development review functions related to The Properties shall be performed by the Foundation and the Association in the manner provided in their respective covenants or declarations. The Maintenance Association shall perform any architectural control/development review functions delegated to it by the Foundation for such time and to such extent as the Foundation deems appropriate.

The Foundation and the Association shall each enforce the maintenance and use requirements and restrictions contained in their respective covenants/declarations, provided that

(i) in the event of conflict between or among such requirements and restrictions, the more stringent ones shall control and (ii) in the event that the Association fails to enforce its own requirements and restrictions when it is required to do so, the Foundation may enforce same and may allocate the costs of so doing to the Maintenance Association.

As used in this Section, the terms Foundation and Association shall be deemed to refer to their respective development review or architectural control boards, where appropriate. In the event of a conflict between an architectural control/development review action (i.e., an approval or disapproval) of the Foundation and that of the Maintenance Association, the action of the Foundation shall be final and shall control.

Section 4. Collection of Assessments. The Foundation shall, initially, act as collection agent for the Association as to all assessments payable to same by the Members thereof. The Foundation will remit the assessments so collected to the respective payees pursuant to such procedures as may be adopted by the Foundation.

In the event that the assessments payable to the Foundation and the Association are received in a lump sum and such sum is less than sufficient to pay all three entities, the amount collected shall be applied first to the assessments of the Foundation and only then to those of the Association (with the Foundation to be paid in full before the Association is paid). All capital improvement assessments, special assessments, fines, interest, late charges, recovered costs of collection and other extraordinary impositions shall be remitted to the respective entity imposing same separate and apart from the priorities established above.

The Association shall notify the Foundation, by written notice given at least thirty (30) days in advance, of any changes in the amounts of the assessments due them or the frequency at which they are to be collected. Further, the Association shall provide to the Foundation a roster of the names and addresses of the Members of the Maintenance Association and shall update same as often as necessary. The aforesaid notice period shall also apply to capital improvement assessments, but may be as short as five (5) days before the next-due regular assessment installment in the case of special assessments, fines and similar impositions on fewer than all Members.

The Foundation shall have the power, but shall not be required, to record liens or take any other actions with regard to delinquencies in assessments payable to the Association. In the event that the Foundation does so, then all rights of enforcement provided in Article V hereof shall be deemed to have automatically vested in the Foundation, but all costs and expenses of exercising such rights shall nevertheless be paid by the Association (which shall be entitled to receive payment of any such costs and expenses which are ultimately recovered).

The Foundation may change, from time to time by sixty (60) days' prior written notice to the Association, the procedures set forth in this Section 4 in whole or in part. Such change may include, without limitation, the delegation by the Foundation of all or some of the

collection functions provided for herein to the Association (to which delegation the Maintenance Association and its Members shall be deemed to have automatically agreed).

All fidelity bonds and insurance maintained by the Association shall reflect any duties delegated to it pursuant hereto and the amounts to be received and disbursed by it pursuant to such delegation and shall name the Foundation as an obligee/insured party for so long as the Foundation's assessments are being collected and remitted by the Maintenance Association.

The Association may delegate any duties delegated to it pursuant hereto to a management company approved by the Foundation, provided that (1) the Association shall remain ultimately liable hereunder, (2) the management company, as well as the Association, shall comply with the requirements of the foregoing paragraph and (3) the Foundation's approval of the management company may be withdrawn, with or without cause, at any time upon thirty (30) days' prior written notice. Any management agreement or similar contract entered into by the Association shall be subject to the provisions of this Article and shall not require the Association to pay fees for the performance of duties which would otherwise be delegated to the company in connection with this Article if such duties are performed by the Foundation as provided above.

In the event of any change in assessment collection procedures elected to be made by the Foundation, the relative priorities of assessment remittances and liens (i.e., the Foundation first, the Association second shall nevertheless still remain in effect, as shall the Foundation's ability to modify or revoke its election from time to time.

Section 5. Delegation of Other Duties. The Foundation shall have the right to delegate to the Association on an exclusive or non-exclusive basis, such additional duties not specifically described in this Article as the Foundation shall deem appropriate. Such delegation shall be made by written notice to the Association which shall be effective no earlier than thirty (30) days from the date it is given. Any delegation made pursuant hereto may be modified or revoked by the Foundation at any time.

Section 6. Acceptance of Delegated Duties. Whenever the Foundation delegates any duty to the Association pursuant to Sections 3, 4 or 5 hereunder, the Association shall be deemed to have automatically accepted same and to have agreed to indemnify, defend and hold harmless the Foundation for all liabilities, losses, damages and expenses (including attorneys' fees actually incurred and court costs, through all appellate levels) arising from or connected with the Association's performance, non-performance or negligent performance thereof.

Section 7. Expense Allocations. The Foundation may, by written notice given to the Association at least thirty (30) days prior to the end of the Association's fiscal year, allocate and assess to the Association a share of the expenses incurred by the Foundation which are reasonably allocable to The Properties or the Association, whereupon such expenses shall thereafter be deemed common expenses payable by assessments of the Lots/Owners as provided in Article V of this Declaration. By way of example only, the Foundation could so

allocate the share of the costs of maintaining patrol services or street lighting and other facilities for The Falls attributable to The Properties (based, for instance, on the number of Lots or linear feet of roadways adjacent to The Properties) whereupon such allocated share would become common expenses of the Owners and a sum payable by the Association.

In the event of the failure of the Association to budget or assess its Members for, or to pay, expenses allocated as aforesaid, the Foundation shall be entitled to pursue all available remedies afforded same under this Declaration and the Foundation Covenants or, without waiving the right to do the foregoing, specially assess all Owners/Lots for the sums due.

Section 8. Conflict; Amendment. In the event of conflict between this Article XIV and any of the other covenants, restrictions or provisions of this Declaration or the Articles of Incorporation, By-Laws or rules and regulations of the Association, the provisions of this Article shall supersede and control. Except as to amendments made by the Developer, no amendment to this Article or this Declaration generally which affects the rights, privileges or protections afforded the Foundation hereunder shall be effective without the express written consent of the Foundation, whose determination as to whether such amendment has the aforesaid effect shall be final and conclusive.

ARTICLE XV

SPECIAL COVENANTS

Section 1. Preamble. In recognition of the fact that certain special types of platting and/or construction require special types of covenants to accurately reflect the maintenance and use of the affected Lots and Units, the following provisions of this Article XV shall apply in those cases where the below-described types of improvements are constructed within The Properties, subject to variance per Article II, Section 2 of this Declaration. However, nothing herein shall necessarily suggest that Developer or any Builder will or will not, in fact, construct such types of improvements nor shall anything herein contained be deemed an obligation to do so.

Section 2. Zero Lot Line Maintenance Easement. When any Lot (the "Servient Lot") abuts another Lot (the "Dominant Lot") on which the exterior wall of a Unit has been or can be constructed against or immediately contiguous to the interior property (perimeter) line shared by the Dominant Lot and the Servient Lot, then the Owner of the Dominant Lot shall have an easement over the Servient Lot, which easement shall be five (5') feet in width contiguous to the interior property line running from the front of the rear property line of the Servient Lot for the following purposes:

(i) For installation, maintenance, repair, replacement and the provision of utility services, equipment and fixtures to serve the Dominant Lot, including but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage and Community Systems.

(ii) Of support in and to all structural members, footings and foundations of the Unit or other improvements which are necessary for support of the Unit or other improvements on the Dominant Lot. Nothing in this Declaration shall be construed to require the Owner of the Servient Lot to erect, or permit the erection of, additional columns, bearing walls or other structures on its Lot for the support of the Dominant Lot.

(iii) For entry upon, and for ingress and egress through the Servient Lot, with persons, materials and equipment, to the extent reasonably necessary in the performance of the maintenance, repair, replacement of the Unit or any improvements on the Dominant Lot.

(iv) For overhanging troughs or gutters, down-spouts and the discharge therefrom of rainwater and the subsequent flow thereof over the easement area and the Common Areas.

An Owner of a Servient Lot shall do nothing on his Lot which interferes with or impairs the use of this easement.

Section 3. Party Walls. Each wall and fence, if any, built as part of the original construction of the Units or Lots within The Properties and placed on the dividing line between the Lots thereof and acting as a commonly shared wall or fence shall constitute a party wall, and each Owner shall own that portion of the wall and fence which stands on his own Lot, with a cross-easement of support in the other portion. If a wall or fence separating two (2) Units or Lots, and extensions of such wall or fence, shall lie entirely within the boundaries of one Lot, such wall or fence, together with its extensions, shall also be a party wall and the Owner of the adjacent Lot shall have perpetual easement to maintain the encroachment.

Easements are reserved in favor in all Lots over all other Lots and the Common Areas for overhangs or other encroachments resulting from original construction and reconstruction.

Anything to the contrary herein notwithstanding, where adjacent Units share only a portion of a wall (e.g., where a one-story Unit abuts a two-story Unit), only that portion of the wall actually shared by both Units shall be deemed a party wall. That portion of the wall lying above the one-story Unit and used exclusively as a wall for the second floor of the abutting two-story Unit shall not be deemed a party wall, but shall be maintained and repaired exclusively by the Owner of the two-story Unit even if lying in whole or in part on the abutting Lot on which the one-story Unit is constructed and over the roof and other portions of such abutting one-story Unit to permit the upper portion of the wall of the two-story Unit to be maintained and repaired by the Owners of the Lot on which such two-story Unit is constructed.

The costs of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall.

If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore same, but shall not construct or extend same to any greater dimension than that existing prior to such fire or other casualty, without the prior written consent of the adjacent Lot Owner. The extension of a party wall used by only a two-story Unit abutting a one-story Unit shall be promptly and diligently repaired and/or replaced by the Owner of the two-story Unit at his sole cost and expense, even if lying in whole or in part on the abutting Lot. No part of any addition to the dimensions of said party wall or of any extension thereof already built that may be made by any of said Owners, or by those claiming under any of them, respectively, shall be placed upon the Lot of the other Owner, without the written consent of the latter first obtained, except in the case of the aforesaid wall of a two-story Unit. If the other Owner thereafter makes use of the party wall, he shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

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

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

In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision of a majority of all the arbitrators 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 functions, then obtaining. 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.

Section 4. Condominiums and Cooperatives. In the event that any portion of The Properties is submitted to the condominium or cooperative form of ownership, then the following special provisions shall apply:

(a) The condominium or cooperative, or any series of same within an area specified in a supplemental declaration, shall constitute a distinct Neighborhood.

(b) The board of directors of the condominium or cooperative association shall constitute the Neighborhood Committee for such Neighborhood.

(c) For the purposes of complying with and enforcing the standards of maintenance contained herein, the condominium/ cooperative building and any appurtenant facilities shall be treated as a Unit and any other portion of the condominium/ cooperative shall be treated as an unimproved portion of the Lot, with the condominium/cooperative association to have the maintenance duties of an Owner as set forth herein. The condominium/cooperative association shall also be jointly and severally liable with its members for any violation of the use restrictions set forth in this Declaration or of rules and regulations of the Association.

(d) As distinguished from maintenance duties, assessments hereunder shall be levied against, and shall be secured by lien upon, each individual condominium or cooperative unit and shall be the direct obligation of the Owner thereof; provided, however, that this provision shall not prevent the Association from entering into an agreement with a condominium or cooperative association pursuant to which either of the latter acts as a collection agent (although in no event shall assessments due under this Declaration be deemed a common expense of such condominium or cooperative association).

(e) With respect to the Architectural Control Board: (i) no condominium or cooperative association shall make any improvements or alterations on or to the property under its jurisdiction without first having secured the approval of the Architectural Control Board as provided herein and (ii) in the event that an individual Owner of a condominium or cooperative unit(s) desires to make alterations to the exterior thereof, a request for the approval thereof shall be submitted to the Architectural Control Board as required by this Declaration, but such request shall be accompanied by evidence that the condominium or cooperative association having jurisdiction thereover has already approved same, absent which approval the Architectural Control Board shall not consider the submission.

Section 5. Rental Apartments. In the event that rental apartments are constructed on any portion of The Properties, then the following special provisions shall apply:

(a) The overall apartment project shall be deemed one Lot for purposes of the lien for assessments hereunder as well as architectural approvals, use restrictions and maintenance requirements as provided in this Declaration.

(b) Notwithstanding the foregoing, each individual apartment within an apartment project shall be deemed a Lot for purposes of assessments and voting hereunder (i.e., each apartment shall entitle the Owner of the apartment project to one vote and shall be assessed as one Lot); provided, however, that the supplemental declaration submitting the apartment project to this Declaration may provide for a reduced rate of assessment on each apartment unit.

(c) While an apartment project shall not have an Neighborhood Committee, the Owner thereof shall designate a Voting Member to cast the votes attributable to the apartment project by written notice to the Association given before the meeting at which the votes are to be cast.

(d) The Owner of an apartment project shall be jointly and severally liable with its tenants for any violations of this Declaration or the rules and regulations of the Association.

Section 6. Commercial Property. In the event that any portion of The Properties is developed for commercial uses, then the supplemental declaration submitting same to this Declaration shall provide for such voting rights, assessment obligations, use restrictions, maintenance standards and architectural control requirements as the Developer shall determine and declare in the supplemental declaration.

ARTICLE XVI

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind The Properties, and shall inure to the benefit of and be enforceable by the Association, the Architectural Control Board, Developer (at all times) and the Owner of any land 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 75% of all the Lots subject hereto and of 100% of the mortgagees thereof has been recorded, agreeing to revoke said covenants and restrictions; provided, however, that no such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any signatures being obtained.

Section 2. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration 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 Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be accomplished by any 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, and against the Lots to enforce any lien created by these covenants; and failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

Section 5. Amendment. In addition to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed, deleted or added to at any time and from time to time upon the execution and recordation of an instrument executed by Developer alone, for so long as it or its affiliates holds title to any Lot affected by this Declaration; or alternatively by approval of not less than 66 2/3% votes of the entire membership of the Association, provided, that so long as Developer or its affiliates is the Owner of any Lot affected by this Declaration, Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, affects its interest. In the event Arvida/JMB Partners, a Florida general partnership, is not Developer, no amendment may nevertheless be made which, in its opinion, adversely affects its interest without its consent. The foregoing two (2) sentences may not be amended.

Section 6. Effective Date. This Declaration shall become effective upon its recordation in the Broward County Public Records.

Section 7. Conflict. This Declaration shall take precedence over conflicting provisions in Schedule "A" hereto and in the Articles of Incorporation and By-Laws of the Association and said Articles shall take precedence over the By-Laws.

Section 8. Standards for Consent, Approval and Other Actions. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association or the Architectural Control Board, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed by the Developer or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate.

Section 9. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners designate hereby the Developer and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

Section 10. Notices and Disclaimers as to Community Systems. Developer, the Association, or their successors, assigns or franchisees and any applicable cable

telecommunications system operator (an "Operator"), may enter into contracts for the provision of security services through any Community Systems. DEVELOPER, THE ASSOCIATION, OPERATORS AND THEIR FRANCHISEES, AND ANY OPERATOR, DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH SECURITY SYSTEM OR SERVICES, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS, FIRES OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME; AND EVERY OWNER OR OCCUPANT OF PROPERTY SERVICED BY THE COMMUNITY SYSTEMS ACKNOWLEDGES THAT DEVELOPER, THE ASSOCIATION OR ANY SUCCESSOR, ASSIGN OR FRANCHISEE OF THE DEVELOPER OR ANY OF THE OTHER AFORESAID ENTITIES AND ANY OPERATOR, ARE NOT INSURERS OF THE OWNER OR OCCUPANT'S PROPERTY OR OF THE PROPERTY OF OTHERS LOCATED ON THE PREMISES AND WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES OR DEATHS RESULTING FROM SUCH OCCURRENCES. It is extremely difficult and impractical to determine the actual damages, if any, which may proximately result from a failure on the part of a security service provider to perform any of its obligations with respect to security services and, therefore, every owner or occupant of property receiving security services through the Community Systems agrees that Developer, the Association or any successor, assign or franchisee thereof and any Operator assumes no liability for loss or damage to property or for personal injury or death to persons due to any reason, including, without limitation, failure in transmission of an alarm, interruption of security service or failure to respond to an alarm because of (a) any failure of the Owner's security system, (b) any defective or damaged equipment, device, line or circuit, (c) negligence, active or otherwise, of the security service provider or its officers, agents or employees, or (d) fire, flood, riot, war, act of God or other similar causes which are beyond the control of the security service provider. Every owner or occupant of property obtaining security services through the Community Systems further agrees for himself, his grantees, tenants, guests, invitees, licensees, and family members that if any loss or damage should result from a failure of performance or operation, or from defective performance or operation, or from improper installation, monitoring or servicing of the system, or from negligence, active or otherwise, of the security service provider or its officers, agents, or employees, the liability, if any, of Developer, the Association, any franchisee of the foregoing and the Operator or their successors or assigns, for loss, damage, injury or death sustained shall be limited to a sum not exceeding Two Hundred Fifty and No/100 ($250.00) U.S. Dollars, which limitation shall apply irrespective of the cause or origin of the loss or damage and notwithstanding that the loss or damage results directly or indirectly from negligent performance, active or otherwise, or non-performance by an officer, agent or employee of Developer, the Foundation, the Association or any franchisee, successor or design of any of same or any Operator. Further, in no event will Developer, the Foundation, the Association, any Operator or any of their franchisees, successors or assigns, be liable for consequential damages, wrongful death, personal injury or commercial loss.

In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider(s) of such services.

Section 11. Blasting and Other Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTIES ARE HEREBY PLACED ON NOTICE THAT DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE PROPERTIES. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTIES, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE PROPERTIES WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHER-WISE DURING NON-WORKING HOURS), (iii) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, (iv) ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTIES HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (v) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DEVELOPER TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE PROPERTIES.

Section 12. Notices and Disclaimers as to Water Bodies. NEITHER DEVELOPER, THE ASSOCIATION NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE PROPERTIES, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE

FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN, OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK.

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

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

Section 13. Certain Reserved Rights of Developer with Respect to Community Systems. Without limiting the generality of any other applicable provisions of this Declaration, and without such provisions limiting the generality hereof, Developer hereby reserves and retains to itself:

(a) the title to any Community Systems and a perpetual easement for the placement and location thereof;

(b) the right to connect, from time to time, the Community Systems to such receiving or intermediary transmission source(s) as Developer may in its sole discretion deem appropriate including, without limitation, companies licensed to provide CATV service in Broward County, Florida, for which service Developer shall have the right to charge any users a reasonable fee (which shall not exceed any maximum allowable charge provided for in the Ordinances of Broward County); and

(c) the right to offer from time to time monitoring/alarm services through the Community Systems.

Neither the Association nor any officer, director, employee, committee member or agent (including any management company) thereof shall be liable for any damage to property, personal injury or death arising from or connected with any act or omission of any of the foregoing during the course of performing any duty or exercising any right privilege (including, without limitation, performing maintenance work which is the duty of the Association or exercising any remedial maintenance or alteration rights under this Declaration) required or

authorized to be done by the Association, or any of the other aforesaid parties, under this Declaration or otherwise as required or permitted by law.

Section 14. Covenants Running With The Land. Anything to the contrary herein notwithstanding and without limiting the generality (and subject to the limitations) of Section 1 hereof, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors and assigns) that these covenants and restrictions shall run with the land and with title to the properties. Without limiting the generality of Section 4 hereof, if any provision or application of this Declaration would prevent this Declaration from running with the land as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application and then be enforced in a manner which will allow these covenants and restrictions to so run with the land; but if such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and considered null and void in order that the paramount goal of the parties (that these covenants and restrictions run with the land as aforesaid) be achieved.

Section 15. Club Facilities. Various forms of private membership clubs (each, a "Club") may exist in or about The Properties from time to time, some of which may be owned or operated by the Developer or its affiliates and some by independent parties. Each Club, from time to time existing, operates pursuant to terms, conditions and membership eligibility set by the Club and the ownership of a Lot does not automatically entitle the Owner or occupants thereof to apply or be eligible for membership in any Club. Regardless of any contrary provision in this Declaration or any other document recorded in the Public Records against, or otherwise applicable to, The Properties, any Lot or any facilities of any Club, neither the ownership of any portion of The Properties nor membership in the Association, the Foundation or any similar association shall vest in such owner any vested right, easement or license, prescriptive or otherwise, to use or continue to use the facilities owned by a Club. Further, no such ownership or membership shall confer ny ownership interest in, or membership eligibility for, any Club or its facilities.

ARTICLE XVII

DISCLAIMER OF LIABILITY OF ASSOCIATION

NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BY-LAWS, ANY RULES OR REGULATIONS OF THE ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS"), THE ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTIES INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS,

INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROPERTIES HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROPERTIES AND THE VALUE THEREOF;

(b) THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, BROWARD COUNTY AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES; AND

c) ANY PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS LOT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE PROPERTIES (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) SHALL BE BOUND BY THIS ARTICLE AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS ARTICLE.

AS USED IN THIS ARTICLE, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF DEVELOPER, WHICH SHALL BE FULLY PROTECTED HEREBY.

EXECUTED as of the date first above written.

Witnessed By:

Print Name: Lois Cozza

Print Name: Harry Binnie

ARVIDA/JMB PARTNERS, a Florida general partnership

By: Arvida/JMB Managers, Inc., a Delaware corporation and general partner

By: _____
Print Name: John Baric
Title: Vice President

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this 27th day of October, 1995, by John Baric, as Vice President of Arvida/JMB Managers, Inc., a Delaware corporation and general partner of Arvida/JMB Partners, a Florida general partnership, on behalf of the corporation as general partner as aforesaid. John Baric is personally known to me or has produced _____ as identification.

OFFICIAL NOTARY SEAL
HARRY BINNIE
COMMISSION NUMBER
CC390286
MY COMMISSION EXP.
SEPT 3,1998

NOTARY PUBLIC
Print Name: _____
Commission No. _____
Commission Exp. _____

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SCHEDULE A TO
DECLARATION OF COVENANTS
FOR THE RIDGES

1. The Common Areas and facilities, if any, shall not be obstructed nor used for any purpose other than the purposes intended therefor. No carts, bicycles, carriages, chairs, tables or any other similar objects shall be stored thereon.

2. The personal property of Owners must be stored in their respective Units or in outside storage areas (if any are provided by Developer or approved by the Architectural Control Board).

3. No garbage cans, supplies, milk bottles or other articles shall be placed on the exterior portions of any Unit or Lot and no linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, shall be hung from or on the Unit, the Lot or any of the windows, doors, fences, balconies, patios or other portions of the Unit or Lot, except as provided in the Declaration with respect to refuse containers.

4. Employees of the Association are not to be sent out by Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

5. No motor vehicle which cannot operate on its own power shall remain on The Properties for more than twenty-four (24) hours, and no repair of such vehicles shall be made thereon. No portion of the Common Areas may be used for parking purposes, except those portions specifically designed and intended therefor.

Areas designated for guest parking shall be used only for this purpose and neither Owners nor occupants of Units shall be permitted to use these areas.

Vehicles which are in violation of these rules and regulations shall be subject to being towed by the Association as provided in the Declaration, subject to applicable laws and ordinances.

6. No Owner shall make or permit any disturbing noises in the Unit or on the Lot by himself or his family, servants, employees, agents, visitors or licensees, nor permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Owners. No Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio or sound amplifier or any other sound equipment in his Unit or on his Lot in such a manner as to disturb or annoy other residents

(applying reasonable standards). No Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

7. No electronic equipment may be permitted in or on any Unit or Lot which interferes with the television or radio reception of another Unit.

8. No awning, canopy, shutter, enclosure or other projection shall be attached to or placed upon the outside walls or roof of the Unit or on the Lot, except as approved by the Architectural Control Board.

9. No Owner may alter in any way any portion of the Common Areas, including, but not limited to, landscaping, without obtaining the prior written consent of the Architectural Control Board.

10. No vegetable gardens shall be permitted except in fully enclosed patio areas.

11. No commercial use shall be permitted in the Development even if such use would be permitted under applicable zoning ordinances.

12. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit, on a Lot or on the Common Areas, except as to gas cylinders permitted under the Declaration.

13. An Owner who plans to be absent during the hurricane season must prepare his Unit and Lot prior to his departure by designating a responsible firm or individual to care for his Unit and Lot should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association, except as to gas cylinders permitted under the Declaration.

14. An Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of his Unit without the prior written approval of the Architectural Control Board.

15. All persons using any pool on the Common Areas shall do so at their own risk. All children under twelve (12) years of age must be accompanied by a responsible adult. Bathers are required to wear footwear and cover over their bathing suits in any enclosed recreation facilities (if any). Bathers with shoulder-length hair must wear bathing caps while in the pool, and glasses and other breakable objects may not be utilized in the pool or on the pool deck, if any. Pets are not permitted in the pool or pool area (if any) under any circumstances.

16. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within The Properties and including full compliance

by them with these Rules and Regulations and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing recreation facilities (if any).

17. Pets and other animals shall neither be kept nor maintained in or about The Properties except in accordance the Declaration and with the following:

> No pet shall be permitted outside of its Owner's Unit unless attended by an adult or child of more than ten (10) years of age and on a leash of reasonable length. Said pets shall only be walked or taken upon those portions of the Common Areas designated by the Association from time to time for such purposes. In no event shall said pets ever be allowed to be walked or taken on or about any recreational facilities (if any) contained within the Common Areas.

18. No hunting or use of firearms shall be permitted anywhere in The Properties.

19. Every Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply 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 voting rights and use of recreation facilities, if any, in the event of failure to so comply. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his tenants, family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, as provided in the Declaration.

20. These rules and regulations shall not apply to the Developer, nor its affiliates, agents or employees and contractors (except in such contractors' capacity as Owners), nor property while owned by either the Developer or its affiliates. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of, and conditions on time limitations imposed by, the Board.

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COMMON AREAS MANAGEMENT AGREEMENT

THIS AGREEMENT made and entered into this _____ day of _____, 19____, by and between **THE RIDGES MAINTENANCE ASSOCIATION, INC.**, a Florida corporation not for profit, hereinafter called "Association", and **ARVIDA MANAGEMENT LIMITED PARTNERSHIP,** a Delaware limited partnership, its successors and assigns, hereinafter called "Management Firm".

W I T N E S S E T H:

WHEREAS, Management Firm is in the business of managing and maintaining common areas and recreational facilities; and

WHEREAS, Association is obligated to operate and maintain, for its Members' benefit, the Common Areas described in the Declaration of Covenants for The Ridges recorded in the Public Records of Broward County, Florida (the "Covenants") (the definitions of which are incorporated herein by this reference) and is desirous of employing Management Firm for the purposes of performing such services; and

WHEREAS, Management Firm has agreed to provide such services to Association and its membership, all for the consideration, and upon the terms, provisions and conditions, hereinafter set forth; and

WHEREAS, authority is granted in the Covenants, Articles of Incorporation and/or By-Laws of Association to enter into contracts for management and maintenance;

NOW, THEREFORE, in consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants and agreements hereinafter contained to be performed by each party in favor of the other, Association and Management Firm represent, warrant, covenant and agree as follows:

1. Association hereby employs Management Firm, and Management Firm hereby accepts such employment, for the consideration hereinafter recited, and for the time period and upon the terms, provisions and conditions hereinafter set forth.

2. The duties which the Management Firm assumes and agrees to perform for Association shall be the performance of such undertakings as are necessary to maintain and operate the Common Areas for the membership of Association, and to otherwise perform such of the obligations of the Association as may be lawfully delegated, and without limiting the generality of the foregoing, Management Firm shall provide consultation, advice, guidance, maintenance and managerial services necessary to do and accomplish the following:

A. To manage and maintain the Common Areas and other property owned by Association as established in the Covenants.

B. To collect and receive in the name of Association or as agent for Association all assessments and other charges which may be due from Association Members. Management Firm is hereby given the right to receipt for any and all assessments and charges and, in the event that the payment of any assessments or charges due to Association may be in default, to take such legal action as may be necessary to enforce any and all rights which Association may have against the Member, tenant or other party who is delinquent in the payment to Association. Management Firm shall further furnish Association at least once each quarter an itemized list of all delinquent accounts.

C. To take such action as may be necessary to comply promptly with any and all orders or requirements of any federal, state, county or municipal authority having jurisdiction; however, except in the event of emergencies, Management Firm shall not take any such action without notifying the Board of Directors of Association if time so permits, and Management Firm shall not take any action so long as Association is contesting, or has affirmed its intention to protest, any such order or requirements.

D. Where applicable, to make contracts for furnishing of water, electricity, gas, telephone, exterminating services, garbage disposal and such other services as Management Firm shall deem to be in the best interest of Association (including, without limitation, a subcontract of Management Firm's undertakings hereunder, in lieu of an assignment hereof, to an entity similar to Management Firm). Management Firm shall place orders for such equipment, tools, appliances, materials and supplies as are necessary in the opinion of Management Firm. Orders shall be made in the name of the Association or in the name of Management Firm as agent for Association.

E. To operate the Common Areas and to enforce rules and regulations relating to their use by the membership of Association.

F. To prepare an annual Budget not less than thirty (30) days before the beginning of each fiscal year, setting forth an itemized statement of anticipated receipts and disbursements for the forthcoming year, based upon the previous year's experience and taking into account the general condition of the Common Areas and the objectives for the ensuing year, and to submit to the Board of Directors of Association wage rate recommendations for the forthcoming year.

G. To select a certified public accountant and legal counsel for Association and to work in conjunction with such accountant and legal counsel to aid in the preparation of any and all forms, reports and returns required by law to be filed by Association with any governmental authority, provided, however, that this provision shall not suggest that any audit is required.

H. To at all times keep and maintain a separate set of books and records for Association, which records shall be subject to examination at all reasonable hours, and to prepare and render quarterly, semi-annual or annual statements of income and expense to the Board of Directors.

I. On behalf of Association, to enforce (where permitted by law) use restrictions that may from time to time exist as to Members of the Association.

J. To prepare disbursements of Association funds to pay (1) salaries and any other compensation due and payable to employees of Association, and (2) costs and expenses incurred in carrying out Management Firm's duties and responsibilities under this Agreement. All bank accounts maintained by Management Firm or Association shall be maintained in a bank whose deposits are insured by an agency of the federal government and shall be placed in accounts styled so as to indicate the custodial nature thereof, but all funds may be placed in interest bearing accounts or invested as Association shall direct.

3. Everything done by Management Firm in the way of management and maintenance under the provisions of this Agreement shall be done as agent for Association, and all obligations or expenses incurred in the performance of Management Firm's duties and obligations shall be for the account of, on behalf of and at the expense of Association. Management Firm shall not be obligated to make any advance to or for the account of Association or to pay any sum, except out of funds held or provided by Association or from its Members, nor shall Management Firm be obligated to incur any liability or obligation on account of Association without assurance that the necessary funds for the discharge thereof will be provided. Since Management Firm will be acting at all times for and on behalf of Association, it is understood and agreed that the public liability insurance carried and maintained by Association shall be extended to and shall cover Management Firm, its agents and employees, as well as Association, all at the expense of Association. Association agrees to indemnify and hold the Management Firm harmless from any and all liability for any injury, damage or accident to any Member of Association, a guest or invitee of any such Member, or to any third person and for property damage arising out of or in the course of the performance by Management Firm of its duties hereunder.

4. All of the foregoing management services to Association shall be rendered on a basis of "actual cost" and Association shall pay or reimburse Management Firm for all costs which may be incurred by Management Firm in providing services, materials and supplies to Association, and shall include the cost of all employees of Management Firm for the time spent directly upon performance of matters required by the terms of this Agreement, except that the Management Firm shall not be entitled to reimbursement for salaries of officers of Management Firm and general office overhead of Management Firm, as said items are actually

included within the fee hereinafter provided to be paid to Management Firm.

5. Management Firm, by the execution of this Agreement, assumes and undertakes to perform, carry out and administer all of the duties and responsibilities imposed upon Association as set forth in the Covenants, except those that cannot be lawfully delegated. Such assumption of obligations is limited, however, to operation, management and maintenance as agent, and does not require Management Firm to pay any of the costs and expenses which are the obligation of the Association, except as specifically in this Agreement assumed by Management Firm.

6. The parties recognize that Management Firm will be performing similar services for other associations in the Weston development (the "Development") and will be responsible for the management of other common areas. Accordingly, and notwithstanding anything contained herein to the contrary, such costs and expenses as are general to the Development may, within Management Firm's discretion, be averaged and charged on a weighted basis. Such weighing shall be determined by Management Firm taking into consideration the relative amount of property operated by the respective associations, the size and types of improvements thereon and the number and physical characteristics of dwelling units contained in such improvements. The basis for the foregoing provisions is that if Management Firm is not obligated to cost account with regard to each association's property, that will substantially decrease the cost of administration of all the properties being managed by Management Firm in the Development.

7. This Agreement shall be in full force and effect for a term beginning on the date hereof and ending one (1) year after the conveyance of the title to the last dwelling unit constructed in The Properties by the participating builders therein, unless sooner terminated in accordance with Paragraph 8 hereof.

8. In the event that Association defaults by failing to make the payments required to be made hereunder, or by continuing to violate any law, ordinance or statute after notice from the appropriate governmental authority and after having failed to commence to resist or test such ordinance or statute by appropriate legal action, then, upon the giving of thirty (30) days' written notice by Management Firm, unless such default is cured within such 30-day period, or, if the default involves a violation of law, unless reasonable steps have been taken to comply with the provision, then the Management Firm shall have the right, upon the giving of fifteen (15) additional days' written notice, to cancel this Agreement, and this Agreement shall be cancelled on a date specified in such notice, which date shall be not less than fifteen (15) days after the giving of such notice. Anything to the contrary herein notwithstanding, this Agreement shall automatically terminate thirty (30) days after the Class B Membership of the Association is terminated and the Class A Members elect the Board of Directors of the Association as contemplated in the Covenants.

Because of the desire to maintain uniform standards of maintenance and enforcement throughout the Development, this Agreement cannot be cancelled by Association except for breach by Management Firm of its obligation to perform and then only if such breach is not cured within ninety (90) days of receipt of written notice thereof from Association, unless such cure would require additional time to effect, in which case the period within which such cure must be effected shall be extended appropriately. In the event of termination, the Management Firm shall be entitled to its pro rata fee and to reimbursement of all costs incurred or contracted for to the date of termination.

9. In addition to all actual costs which the Association shall pay the Management Firm for its services above set forth, and as and for a fixed fee for its services to be performed hereunder, the Association hereby agrees to pay Management Firm monthly in advance a sum of money calculated at the greater of (A) _____ percent (__%) of the operating maintenance budget of the Association per annum, payable in equal monthly installments during each year of this Agreement (which fee shall be recalculated on a quarterly basis and adjusted in accordance with variations in the Association's budget), or (B) seventy-two Dollars ($ 72.00) per annum, payable in equal monthly installments during each year of this Agreement, for each Unit located in The Properties as defined in the Covenants commencing for each such Unit from the first day of the month in which its Certificate of Occupancy is issued, provided the fee specified in clause (B) above shall be subject to increase (but not subject to decrease) on an annual basis (at the sole option, from year to year, of the Management Firm) by the amount of the "fee adjustment", as defined and provided in this paragraph. The "fee adjustment" shall be computed by reference to the statistics published in the monthly labor review by the United States Department of Labor, Bureau of Labor Statistics, designated "Consumer Price Index", as specifically described below. The "fee adjustment" shall be computed by the following formula:

i = Consumer Price Index for the month of December 31, 19____.

I = Consumer Price Index for the month of December 31, 19____, and the month of December of each year thereafter.

$$\frac{I - i}{i} \times \text{the above fee} = \text{"fee adjustment"}$$

The appropriate annual "fee adjustment" shall be divided by 12 and the quotient shall be added to each monthly installment of net fees due for the year for which the calculation was made. If the Bureau of Labor Statistics shall change the method of determining the Consumer Price Index, the formula for determining "fee adjustment" shall be altered or amended, if possible, so as to continue the base period and base figure, but in the event it shall be impossible to do so, or in the event the Bureau of Labor Statistics shall cease to publish the said statistical information, and it is not available from any other source, public or private, acceptable

to both parties, then and in any such events a new formula for determining "fee adjustment" shall be adopted by agreement between the parties, or in the absence of such agreement, by a single arbitrator chosen by the American Arbitration Association. The judgment entered by such arbitrator shall be binding upon the parties in accordance with the Florida Arbitration Code. The Consumer Price Index herein referred to is the "Consumer Price Index - U.S. city average for all urban consumers, 1967 equals 100, All items".

10. All actual costs incurred by Management Firm for Association shall be paid monthly on or before the first day of each month, or reimbursed to Management Firm at such time. Payment of fees and compensation to Management Firm shall be due, in advance, on the first day of each and every month during the term hereof.

11. This Agreement may be assigned by Management Firm to a similar related or unrelated entity and shall be binding upon the parties hereto and their respective successors, legal representatives and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year aforesaid.

Signed, sealed and delivered in the presence of:

Rosemarie L. Borys

Carol Malpica

THE RIDGES MAINTENANCE ASSOCIATION, INC., a Florida corporation ~~not~~ for profit

By: _____
David B. Meseroll, Jr.
President

[CORPORATE SEAL]

ARVIDA MANAGEMENT LIMITED PARTNERSHIP, a Delaware limited partnership

By: ARVIDA MANAGERS, INC., a Florida corporation, general partner

By: _____
Name: George Yeonas
Title: Vice President - General Manager

Rosemarie L. Borys

Carol Malpica

c:\wp51\arv\wes\ridges.mgt

COMMON AREAS MANAGEMENT AGREEMENT

THIS AGREEMENT made and entered into this 31st day of March, 1999, by and between **THE RIDGES MAINTENANCE ASSOCIATION, INC.**, a Florida corporation not for profit, hereinafter called "Association", and **ARVIDA MANAGEMENT LIMITED PARTNERSHIP,** a Delaware limited partnership, its successors and assigns, hereinafter called "Management Firm".

W I T N E S S E T H:

WHEREAS, Management Firm is in the business of managing and maintaining common areas and recreational facilities; and

WHEREAS, Association is obligated to operate and maintain, for its Members' benefit, the Common Areas described in the Declaration of Covenants for The Ridges recorded in the Public Records of Broward County, Florida (the "Covenants") (the definitions of which are incorporated herein by this reference) and is desirous of employing Management Firm for the purposes of performing such services; and

WHEREAS, Management Firm has agreed to provide such services to Association and its membership, all for the consideration, and upon the terms, provisions and conditions, hereinafter set forth; and

WHEREAS, authority is granted in the Covenants, Articles of Incorporation and/or By-Laws of Association to enter into contracts for management and maintenance;

NOW, THEREFORE, in consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants and agreements hereinafter contained to be performed by each party in favor of the other, Association and Management Firm represent, warrant, covenant and agree as follows:

1. Association hereby employs Management Firm, and Management Firm hereby accepts such employment, for the consideration hereinafter recited, and for the time period and upon the terms, provisions and conditions hereinafter set forth.

2. The duties which the Management Firm assumes and agrees to perform for Association shall be the performance of such undertakings as are necessary to maintain and operate the Common Areas for the membership of Association, and to otherwise perform such of the obligations of the Association as may be lawfully delegated, and without limiting the generality of the foregoing, Management Firm shall provide consultation, advice, guidance, maintenance and managerial services necessary to do and accomplish the following:

A. To manage and maintain the Common Areas and other property owned by Association as established in the Covenants.

B. To collect and receive in the name of Association or as agent for Association all assessments and other charges which may be due from Association Members. Management Firm is hereby given the right to receipt for any and all assessments and charges and, in the event that the payment of any assessments or charges due to Association may be in default, to take such legal action as may be necessary to enforce any and all rights which Association may have against the Member, tenant or other party who is delinquent in the payment to Association. Management Firm shall further furnish Association at least once each quarter an itemized list of all delinquent accounts.

C. To take such action as may be necessary to comply promptly with any and all orders or requirements of any federal, state, county or municipal authority having jurisdiction; however, except in the event of emergencies, Management Firm shall not take any such action without notifying the Board of Directors of Association if time so permits, and Management Firm shall not take any action so long as Association is contesting, or has affirmed its intention to protest, any such order or requirements.

D. Where applicable, to make contracts for furnishing of water, electricity, gas, telephone, exterminating services, garbage disposal and such other services as Management Firm shall deem to be in the best interest of Association (including, without limitation, a subcontract of Management Firm's undertakings hereunder, in lieu of an assignment hereof, to an entity similar to Management Firm). Management Firm shall place orders for such equipment, tools, appliances, materials and supplies as are necessary in the opinion of Management Firm. Orders shall be made in the name of the Association or in the name of Management Firm as agent for Association.

E. To operate the Common Areas and to enforce rules and regulations relating to their use by the membership of Association.

F. To prepare an annual Budget not less than thirty (30) days before the beginning of each fiscal year, setting forth an itemized statement of anticipated receipts and disbursements for the forthcoming year, based upon the previous year's experience and taking into account the general condition of the Common Areas and the objectives for the ensuing year, and to submit to the Board of Directors of Association wage rate recommendations for the forthcoming year.

G. To select a certified public accountant and legal counsel for Association and to work in conjunction with such accountant and legal counsel to aid in the preparation of any and all forms, reports and returns required by law to be filed by Association with any governmental authority, provided, however, that this provision shall not suggest that any audit is required.

H. To at all times keep and maintain a separate set of books and records for Association, which records shall be subject to examination at all reasonable hours, and to prepare and render quarterly, semi-annual or annual statements of income and expense to the Board of Directors.

I. On behalf of Association, to enforce (where permitted by law) use restrictions that may from time to time exist as to Members of the Association.

J. To prepare disbursements of Association funds to pay (1) salaries and any other compensation due and payable to employees of Association, and (2) costs and expenses incurred in carrying out Management Firm's duties and responsibilities under this Agreement. All bank accounts maintained by Management Firm or Association shall be maintained in a bank whose deposits are insured by an agency of the federal government and shall be placed in accounts styled so as to indicate the custodial nature thereof, but all funds may be placed in interest bearing accounts or invested as Association shall direct.

3. Everything done by Management Firm in the way of management and maintenance under the provisions of this Agreement shall be done as agent for Association, and all obligations or expenses incurred in the performance of Management Firm's duties and obligations shall be for the account of, on behalf of and at the expense of Association. Management Firm shall not be obligated to make any advance to or for the account of Association or to pay any sum, except out of funds held or provided by Association or from its Members, nor shall Management Firm be obligated to incur any liability or obligation on account of Association without assurance that the necessary funds for the discharge thereof will be provided. Since Management Firm will be acting at all times for and on behalf of Association, it is understood and agreed that the public liability insurance carried and maintained by Association shall be extended to and shall cover Management Firm, its agents and employees, as well as Association, all at the expense of Association. Association agrees to indemnify and hold the Management Firm harmless from any and all liability for any injury, damage or accident to any Member of Association, a guest or invitee of any such Member, or to any third person and for property damage arising out of or in the course of the performance by Management Firm of its duties hereunder.

4. All of the foregoing management services to Association shall be rendered on a basis of "actual cost" and Association shall pay or reimburse Management Firm for all costs which may be incurred by Management Firm in providing services, materials and supplies to Association, and shall include the cost of all employees of Management Firm for the time spent directly upon performance of matters required by the terms of this Agreement, except that the Management Firm shall not be entitled to reimbursement for salaries of officers of Management Firm and general office overhead of Management Firm, as said items are actually included within the fee hereinafter provided to be paid to Management Firm.

5. Management Firm, by the execution of this Agreement, assumes and undertakes to perform, carry out and administer all of the duties and responsibilities imposed upon Association as set forth in the Covenants, except those that cannot be lawfully delegated. Such assumption of obligations is limited, however, to operation, management and maintenance as agent, and does not require Management Firm to pay any of the costs and expenses which are the obligation of the Association, except as specifically in this Agreement assumed by Management Firm.

6. The parties recognize that Management Firm will be performing similar services for other associations in the Weston Development (the "Development") and will be responsible for the management of other common areas. Accordingly, and notwithstanding anything contained herein to the contrary, such costs and expenses as are general to the Development may, within Management Firm's discretion, be averaged and charged on a weighted basis. Such weighing shall be determined by Management Firm taking into consideration the relative amount of property operated by the respective associations, the size and types of improvements thereon and the number and physical characteristics of dwelling units contained in such improvements. The basis for the foregoing provisions is that if Management Firm is not obligated to cost account with regard to each association's property, that will substantially decrease the cost of administration of all the properties being managed by Management Firm in the Development.

7. This Agreement shall be in full force and effect for a term beginning on the date hereof and ending one (1) year after the conveyance of the title to the last dwelling unit constructed in The Properties by the participating builders therein, unless sooner terminated in accordance with Paragraph 8 hereof.

8. In the event that Association defaults by failing to make the payments required to be made hereunder, or by continuing to violate any law, ordinance or statute after notice from the appropriate governmental authority and after having failed to commence to resist or test such ordinance or statute by appropriate legal action, then, upon the giving of thirty (30) days' written notice by Management Firm, unless such default is cured within such 30-day period, or, if the default involves a violation of law, unless reasonable steps have been taken to comply with the provision, then the Management Firm shall have the right, upon the giving of fifteen (15) additional days' written notice, to cancel this Agreement, and this Agreement shall be cancelled on a date specified in such notice, which date shall be not less than fifteen (15) days after the giving of such notice. Anything to the contrary herein notwithstanding, this Agreement shall automatically terminate thirty (30) days after the Class B Membership of the Association is terminated and the Class A Members elect the Board of Directors of the Association as contemplated in the Covenants. Because of the desire to maintain uniform standards of maintenance and enforcement throughout the Development, this Agreement cannot be cancelled by Association except for breach by Management Firm of its obligation to perform and then only if such breach is not cured within ninety (90) days of receipt of written notice thereof from Association, unless such cure would require additional time to effect, in which case the period within which such cure must be effected shall be extended appropriately. In the event of termination, the Management Firm shall be entitled

to its pro rata fee and to reimbursement of all costs incurred or contracted for to the date of termination.

9. In addition to all actual costs which the Association shall pay the Management Firm for its services above set forth, and as and for a fixed fee for its services to be performed hereunder, the Association hereby agrees to pay Management Firm monthly in advance a sum of money equal to Thirty Six and No/100 Dollars ($36.00) per annum, payable in equal monthly installments during each year of this Agreement for each Unit located in The Properties as defined in the Covenants commencing for each such Unit from the first day of the month in which its Certificate of Occupancy is issued, provided the fee specified in clause (B) above shall be subject to increase (but not subject to decrease) on an annual basis (at the sole option, from year to year, of the Management Firm) by the amount of the "fee adjustment", as defined and provided in this paragraph. The "fee adjustment" shall be computed by reference to the statistics published in the monthly labor review by the United States Department of Labor, Bureau of Labor Statistics, designated "Consumer Price Index", as specifically described below. The "fee adjustment" shall be computed by the following formula:

i = Consumer Price Index for the month of December 31, 1999.

I = Consumer Price Index for the month of December 31, 2000, and the month of December of each year thereafter.

$\frac{I - i}{}$ X the above fee = "fee adjustment"

The appropriate annual "fee adjustment" shall be divided by 12 and the quotient shall be added to each monthly installment of net fees due for the year for which the calculation was made. If the Bureau of Labor Statistics shall change the method of determining the Consumer Price Index, the formula for determining "fee adjustment" shall be altered or amended, if possible, so as to continue the base period and base figure, but in the event it shall be impossible to do so, or in the event the Bureau of Labor Statistics shall cease to publish the said statistical information, and it is not available from any other source, public or private, acceptable to both parties, then and in any such events a new formula for determining "fee adjustment" shall be adopted by agreement between the parties, or in the absence of such agreement, by a single arbitrator chosen by the American Arbitration Association. The judgment entered by such arbitrator shall be binding upon the parties in accordance with the Florida Arbitration Code. The Consumer Price Index herein referred to is the "Consumer Price Index - U.S. city average for all urban consumers, 1967 equals 100, All items".

10. All actual costs incurred by Management Firm for Association shall be paid monthly on or before the first day of each month, or reimbursed to Management Firm at such time. Payment of fees and compensation to Management Firm shall be due, in advance, on the first day of each and every month during the term hereof.

11. This Agreement may be assigned by Management Firm to a similar related or unrelated entity and shall be binding upon the parties hereto and their respective successors, legal representatives and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year aforesaid.

Signed, sealed and delivered
in the presence of:

Sandra Herndon

Gwendolyn Chiesa

THE RIDGES MAINTENANCE ASSOCIATION, INC., a Florida corporation not for profit

By: _____
Laura Sanchez
President

[CORPORATE SEAL]

ARVIDA MANAGEMENT LIMITED PARTNERSHIP, a Delaware limited partnership

By: ARVIDA MANAGERS, INC., a Florida corporation, general partner

Sandra Herndon

Gwendolyn Chiesa

By: _____
Name: George E. Casey, Jr.
Title: Vice President

C:\wp51\arv\wes\ridges.mgt

THIS INSTRUMENT PREPARED BY:
Charles W. Edgar, III, Esq.
Levine, Frank, Edgar & Telepman, P.A.
3300 PGA Boulevard, Suite 500
Palm Beach Gardens, Florida 33410

AMENDMENT TO DECLARATION OF COVENANTS FOR

THE RIDGES MAINTENANCE ASSOCIATION, INC.

THIS AMENDMENT is made this 25th day of November, 1996 by Arvida/JMB Partners, a Florida general partnership ("Developer").

RECITALS

A. Developer is the "Developer" under that certain **Declaration of Covenants for The Ridges Maintenance Association, Inc. recorded in Official Records Book 24095, Page 120 of the Public Records of Broward County, Florida** (the "Declaration"). The capitalized terms used herein shall have the meanings given them in the Declaration.

B. Developer desires to correct a provision of the Declaration so as to conform same to other similar declarations for portions of Weston.

C. Developer's authority to make such amendment is set forth in Article XVI, Section 5 of the Declaration, said Section permitting Developer to unilaterally amend the Declaration for so long as it holds title to a Lot, which Developer presently does.

NOW, THEREFORE, by virtue of the Developer's authority as aforesaid, the second sentence of Article V, Section 10 of the Declaration is hereby amended to read:

The deficit to be paid under option (iii), above, shall be the difference between (a) actual operating expenses of the Association, exclusive of capital improvement costs, management fees and reserves and (b) the sum of all monies receivable by the Association (including, without limitation, assessments, interest, late charges, fines and incidental income) and any surplus carried forward from the preceding years(s).

IN WITNESS WHEREOF, Developer has executed this Amendment on the day and year first above written.

WITNESSED BY:

Kathy Hale
Print Name: KATHY HALE

Carol Malpica
Print Name: Carol Malpica

ARVIDA/JMB PARTNERS, a Florida general partnership

By: Arvida/JMB Managers, Inc., a Delaware corporation and general partner

By: _____
Print Name: GEORGE C. YEONAS
Title: VICE PRESIDENT - GENERAL MANAGER

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this 4th day of ~~November~~ December, 1996, by George C. YEONAS as V.P. - GENERAL MANAGER of Arvida/JMB Managers, Inc., a Delaware corporation and general partner of Arvida/JMB Managers, Inc., a Delaware corporation and general partner of Arvida/JMB Partners, a Florida general partnership, on behalf of the corporation as general partner as aforesaid. George C. YEONAS is (personally) known to me or has produced _____ as identification.

BILLIE L. LOVELADY
MY COMMISSION # CC 382123
EXPIRES: July 29, 1998
Bonded Thru Notary Public Underwriters

Leslie L. Lovelady
NOTARY PUBLIC
Print Name: _____
Commission Exp: _____
Commission No.: _____

c:\wp51\arv\wes\ridgesad.dec

w/c RETURN TO:
GOLD COAST TITLE CO.
75 S.E.. 3rd STREET
BOCA RATON, FL 33432 HB

95-481443 T#001
11-02-95 09:08AM

THIS INSTRUMENT PREPARED BY:
Charles W. Edgar, III, Esq.
LEVINE, FRANK & EDGAR, P.A.
3300 PGA Boulevard, Suite 500
Palm Beach Gardens, Florida 33410

SUPPLEMENTAL DECLARATION

THIS SUPPLEMENTAL DECLARATION is made this 27th day of October, 1995 by **ARVIDA/JMB PARTNERS**, a Florida general partnership hereinafter referred to as "Developer").

W I T N E S S E T H:

A. Developer is the "Developer", by virtue of having received an assignment of all of the original developer's rights, under that certain **Amended and Restated Declaration of Town Foundation Covenants, recorded May 17, 1985 in Official Records Book 12546, Page 921, of the Public Records of Broward County, Florida, as amended and supplemented from time to time (the "Declaration")**. The capitalized terms used herein shall have the meanings given them in the Declaration.

B. Article II, Section 2 of the Declaration provides that Developer may add additional property to The Properties from time to time.

C. Developer now desires to make this Supplemental Declaration to so add certain property to The Properties in the categories hereinafter stated.

NOW, THEREFORE, in consideration of Developer's authority under the Declaration, it is hereby declared:

1. All of the following-described property located in Broward County, Florida is hereby added to The Properties and subjected to the covenants, restrictions, easements, charges, liens, terms and conditions of the Declaration:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

2. All Lots located on the aforesaid property, as defined in the Declaration, shall be Lots thereunder.

BK25095PG0116

3. Any land dedicated to the Town Foundation, Inc. on any plat(s) of the property described in Exhibit "A" hereto which are hereafter recorded shall be Common Areas under the Declaration.

IN WITNESS WHEREOF, Developer has executed this Supplemental Declaration on the day and year first above written.

WITNESSED BY:

Print Name: Harry Binnie

Print Name: Lois Cocozza

ARVIDA/JMB PARTNERS, a Florida general partnership

By: Arvida/JMB Managers, Inc., a Delaware corporation and general partner

By: John Baric
Print Name: John Baric
Title: Vice President

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this 27th day of October, 1995, by John Baric as Vice President of Arvida/JMB Managers, Inc., a Delaware corporation and general partner of Arvida/JMB Managers, Inc., a Delaware corporation and general partner of Arvida/JMB Partners, a Florida general partnership, on behalf of the corporation as general partner as aforesaid. John Baric is personally known to me or has produced _____ as identification.

NOTARY PUBLIC OFFICIAL NOTARY SEAL HARRY BINNIE COMMISSION NUMBER CC390256 MY COMMISSION EXP. SEPT 3,1998 STATE OF FLORIDA

NOTARY PUBLIC
Print Name: _____
Commission Exp: _____
Commission No.: _____

BK24095PG0117

LEGAL DESCRIPTION:

ALL OF TRACTS 9, 10, 11, 12, TOGETHER WITH A PORTION OF TRACTS 4, 5, 6, 7, 8, 13, FLORIDA FRUIT LAND'S COMPANYS SUBDIVISION NO. 1, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 17, DADE COUNTY RECORDS, LYING AND BEING IN SECTION 25, TOWNSHIP 50 SOUTH, RANGE 39 EAST, TOGETHER WITH ALL OF TRACTS 34, 35, 36, TOGETHER WITH A PORTION OF TRACTS 33, 45, 46, 47 AND 48, EVERGLADES LAND COMPANY'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGE 63, DADE COUNTY RECORDS, LYING AND BEING IN SAID SECTION 25, TOGETHER WITH A PORTION OF SECTION 30, TOWNSHIP 50 SOUTH, RANGE 40 EAST, TOGETHER WITH ALL OF TRACTS 25, 26, 27, 28, 29, 30, 31, 46, 47, 48, TOGETHER WITH A PORTION OF TRACTS 32 AND 45, OF SAID FLORIDA FRUIT LANDS COMPANY'S SUBDIVISION NO. 1, LYING AND BEING IN SECTION 29, TOWNSHIP 50 SOUTH, RANGE 40 EAST, ALL LYING AND BEING IN BROWARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF WINDMILL LAKE ESTATES, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 141, PAGE 5, BROWARD COUNTY RECORDS, THENCE NORTH 89°16'27" EAST FOR 1308.85 FEET TO A POINT ON A CURVE, SAID POINT BEARS NORTH 13°00'02" EAST TO THE RADIUS POINT OF THE NEXT DESCRIBED CURVE; THENCE SOUTHEASTERLY AND NORTHEASTERLY ALONG A CIRCULAR CURVE TO THE LEFT, HAVING A RADIUS OF 1200.00 FEET, A CENTRAL ANGLE OF 31°00'00" FOR AN ARC DISTANCE OF 649.26 FEET TO A POINT OF REVERSE CURVATURE; THENCE NORTHEASTERLY ALONG A CIRCULAR CURVE TO THE RIGHT, HAVING A RADIUS OF 2400.00 FEET, A CENTRAL ANGLE OF 16°33'28" FOR AN ARC DISTANCE OF 663.28 FEET TO THE WESTERLY RIGHT-OF-WAY OF BONAVENTURE BOULEVARD AS RECORDED IN OFFICIAL RECORD BOOK 9098, PAGE 660, SAID PUBLIC RECORDS, BROWARD COUNTY, AND THE SOUTHEAST CORNER OF SAID WINDMILL LAKE ESTATES PLAT AND POINT ON A CURVE, SAID POINT BEARS SOUTH 88°34'52" EAST TO THE RADIUS POINT OF THE NEXT DESCRIBED CURVE; THENCE SOUTHWESTERLY AND SOUTHEASTERLY ALONG A CIRCULAR CURVE TO THE LEFT, HAVING A RADIUS OF 12976.26 FEET, HAVING A CENTRAL ANGLE OF 01°32'40" FOR AN ARC DISTANCE OF 349.76 FEET TO A POINT OF TANGENCY; THENCE SOUTH 00°07'32" EAST FOR 2460.04 FEET TO THE NORTHERLY RIGHT-OF-WAY FOR THE SOUTH NEW RIVER CANAL (C-11); AND POINT HEREINAFTER REFERRED TO AS POINT A; THENCE SOUTH 88°07'18" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY FOR 2369.58 FEET TO THE SOUTHEAST CORNER OF I.T.D.D.C. PUMP NO. 2 PLAT, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 148, PAGE 35, OF SAID PUBLIC RECORDS OF BROWARD COUNTY; THENCE NORTH 00°43'34" WEST FOR 250.00 FEET; THENCE SOUTH 89°16'26" WEST FOR 140.00 FEET; THENCE SOUTH 00°43'34 EAST FOR 252.82 FEET TO THE SOUTHWEST CORNER OF SAID I.T.D.D. PUMP NO. 2 PLAT; THENCE SOUTH 88°07'18" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY FOR THE SOUTH NEW RIVER CANAL FOR 89.30 FEET; THENCE NORTH 00°43'34" WEST ALONG THE WEST LINE OF THE EAST HALF OF SAID SECTION 25 FOR 2733.92 FEET TO THE POINT OF BEGINNING

TOGETHER WITH:

COMMENCE AT POINT A AS PREVIOUSLY DESCRIBED; THENCE NORTH 88°07'18" EAST ALONG SAID NORTHERLY RIGHT-OF-WAY FOR THE SOUTH NEW RIVER CANAL, FOR 120.07 FEET TO THE EASTERLY RIGHT-OF-WAY FOR SAID BONAVENTURE BOULEVARD AND POINT OF BEGINNING; THENCE NORTH 00°07'32" WEST ALONG SAID EASTERLY RIGHT-OF-WAY FOR 2456.37 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTERLY AND NORTHEASTERLY ALONG A CIRCULAR CURVE TO THE RIGHT, HAVING A RADIUS OF 12856.26 FEET, A CENTRAL ANGLE OF 07°26'48", FOR AN ARC DISTANCE OF 1670.93 FEET; THENCE NORTH 53°15'27" EAST FOR 50.30 FEET TO THE SOUTHERLY RIGHT-OF-WAY FOR SOUTH POST ROAD AS DESCRIBED IN OFFICIAL RECORD BOOK 9098, PAGE 660, SAID PUBLIC RECORDS OF BROWARD COUNTY; THENCE SOUTH 80°48'17" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY FOR 1298.05 FEET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY AND NORTHEASTERLY ALONG A CIRCULAR CURVE TO THE LEFT, HAVING A RADIUS OF 1221.85 FEET, A CENTRAL ANGLE OF 09°23'50", FOR AN ARC DISTANCE OF 2004.54 FEET TO A POINT OF TANGENCY; THENCE NORTH 89°47'53" EAST FOR 1485.54 FEET; THENCE NORTH 89°28'45" EAST FOR 1321.15 FEET; THENCE SOUTH 01°33'14" EAST ALONG EAST LINE OF THE WEST ONE HALF OF SAID SECTION 29, FOR 2585.65 FEET; THENCE SOUTH 01°33'14" EAST FOR 1024.83 FEET TO SAID NORTHERLY RIGHT-OF-WAY FOR SOUTH NEW RIVER CANAL; THENCE SOUTH 88°15'24" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY FOR 1178.49 FEET; THENCE SOUTH 88°05'16" WEST FOR 143.32 FEET; THENCE SOUTH 88°05'16" WEST FOR 3356.65 FEET; THENCE NORTH 01°53'43" WEST FOR 10.00 FEET; THENCE SOUTH 88°07'18" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY FOR 1646.34 FEET TO THE POINT OF BEGINNING

THIS INSTRUMENT PREPARED BY:
Charles W. Edgar, III, Esq.
Levine, Frank, Edgar & Telepman, P.A.
3300 PGA Boulevard, Suite 500
Palm Beach Gardens, Florida 33410

AMENDMENT TO DECLARATION OF COVENANTS FOR

THE RIDGES MAINTENANCE ASSOCIATION, INC.

THIS AMENDMENT is made this 12 day of January, 1998 by Arvida/JMB Partners, a Florida general partnership ("Developer").

RECITALS

A. Developer is the "Developer" under that certain **Declaration of Covenants for The Ridges Maintenance Association, Inc. recorded in Official Records Book 24095, Page 0177 of the Public Records of Broward County, Florida** (the "Declaration"). The capitalized terms used herein shall have the meanings given them in the Declaration.

B. Developer desires to clarify and amend one of its options under which it funds the Association with the ability, although not the obligation, to perform certain maintenance functions as to Units and Lots.

C. Developer's authority to make such amendment is set forth in Article XVI, Section 5 of the Declaration, said Section permitting Developer to unilaterally amend the Declaration for so long as it holds title to a Lot, which Developer presently does.

NOW, THEREFORE, by virtue of the Developer's authority as aforesaid, Article VI of the Declaration is hereby amended by adding the following new Section thereto:

> Section 5. Optional Performance by Association. Notwithstanding any of the foregoing, the Association may undertake any of the maintenance functions provided in this Article VI with respect to Units or Lots in a particular Neighborhood, provided that (i) the cost thereof shall be borne solely by the Units/Lots for which such maintenance is provided and (ii) the scope of such functions shall be specifically set forth in a resolution or action of the Board of Directors.

IN WITNESS WHEREOF, Developer has executed this Amendment on the day and year first above written.

WITNESSED BY:

Print Name: Anthony Varrone

Print Name: Judith Hattier

ARVIDA/JMB PARTNERS, a Florida general partnership

By: Arvida/JMB Managers, Inc., a Delaware corporation and general partner

By: _____
Print Name: John Baric
Title: Vice President

STATE OF FLORIDA)
) SS:
COUNTY OF Palm Beach)

The foregoing instrument was acknowledged before me this 12 day of January, 1998 by John Baric as Vice President of Arvida/JMB Managers, Inc., a Delaware corporation and general partner of Arvida/JMB Managers, Inc., a Delaware corporation and general partner of Arvida/JMB Partners, a Florida general partnership, on behalf of the corporation as general partner as aforesaid. ✓ is personally known to me or has produced _____ as identification.

_____
NOTARY PUBLIC
Print Name: Judith Hattier
Commission Exp: _____
Commission No.: _____

c:\wp51\arv\wes\ridgead.de2

OFFICIAL NOTARY SEAL
JUDITH HATTIER
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC487689
MY COMMISSION EXP. AUG. 10,1999

RECORDED IN THE OFFICIAL RECORDS BOOK
OF BROWARD COUNTY, FLORIDA
COUNTY ADMINISTRATOR

BK27584PG0705

INSTR # 100455028
OR BK 30750 PG 0855
RECORDED 08/09/2000 03:53 PM
COMMISSION
BROWARD COUNTY
DEPUTY CLERK 1024

After recording, this Instrument
it is to be returned to:

Linda J. O'Donnell, President
Gables Property Management, Inc.
3300 Corporate Ave.
Suite 110
Weston, Florida 33331

AMENDMENT TO DECLARATION OF COVENANTS
FOR THE RIDGES MAINTENANCE ASSOCIATION

THIS AMENDMENT is made this 7th day of August, 2000, by Arvida/JMB Partners, a Florida general partnership ("Developer").

RECITALS

A. Developer is the "Developer" under, and as defined in, the **DECLARATION COVENANTS FOR THE RIDGES MAINTENANCE ASSOCIATION, INC. RECORDED IN OFFICIAL RECORDS BOOK 24095, PAGE 120, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA**, as amended and supplemented from time to time (the "Covenants"). The capitalized terms used herein shall have the meanings given them in the Covenants.

B. The homeowner-controlled Board of Directors has requested Developer to make certain corrections and changes to the Declaration, which Developer has agreed to do.

C. Article XVI, Section 5 of the Covenants provides, in pertinent part, that Developer may unilaterally amend the Covenants for so long as it holds title to any Lot affected thereby, which Developer presently does.

NOW, THEREFORE, in consideration of the promises and the aforesaid authority of Developer, the Covenants are hereby amended as follows:

1. Article I, Section I(n) of the Declaration is deleted in its entirety on the basis that Neighborhood Committees are no longer in use. The subsequent sections of Article I are hereby relettered accordingly.

2. The following sentence is added after the last sentence in Article I, Section 2: "The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning and interpretation of this Declaration."

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3. Article IV, Section 1(b) is deleted in its entirety and replaced with the following:

(b) The right of the Association to suspend the Member's and his/her Member's Permitees' right to use the Common Area recreational facilities and the community amenities and services (if any) and the right of the Association to suspend Member's Permitees' use of the gate attendant services at the entrances to the community (if any) for any period during which any assessment against his/her Lot or fine remains unpaid for more than thirty (30) days and/or for any period during which any violation or infraction of this Declaration or the Association's rules and regulations remains for more than sixty (60) days. Nothing in this section shall preclude an Owner from having access to his Unit, as may be provided for under the Florida Statutes.

4. In Article IV, Section 1, the following is added as new subsection (i):

(i) The right of the Association to suspend Members and Member's Permitees' privilege to enter the community through the resident's entrance lanes (if any) for any period during which any assessment against his/her Lot or fine remains unpaid for more than thirty (30) days and/or for any period during which any violation or infraction of this Declaration or the Association's rules and regulations remains for more than sixty (60) days.

5. In Article VI, Section 3, the reference to "Twenty-Five Dollars ($25.00)" is deleted and replaced with "35% of the costs of the remedial work or Twenty-Five Dollars ($25.00) which ever is greater".

6. The following is added as the new last paragraph of Article VII, Section 7:

No Owner or Owner's Permitees shall attach or affix any sign, flier, notice or object on any Common Areas. If a sign, flier, notice or object, of any nature, is attached or fixed on the Common Areas, the Association may impose a special assessment against the Lot owned by the Owner based upon the cost of removal and the cost of any damage to the Common Areas. The Board of Directors or its designee, in its discretion, may place, attach or affix signs, fliers, notices and objects on the Common Areas.

7. In Article VII, Section 11, the last sentence in the third paragraph is deleted in its entirety.

8. The title of Article VII, Section 12 is deleted in its entirety and replaced with the following: "Restrictions on Vehicles."

9. In the first sentence of Article VII, Section 12, the phrase "(other than those of a type, if any, expressly permitted by the Association)" is deleted in its entirety and replaced with the following: "(of any kind, including, without limitation, pickup trucks used for personal purposes, extended cab trucks used for personal purposes and pickup trucks with bed covers or toppers for personal purposes)".

10. The following sentence is added after the first sentence of Article VII, Section 12: "Nothing in this section shall preclude the parking of sport utility vehicles, mini-vans, if any, expressly permitted by the Association."

11. In Article VIII, Section 2, second paragraph, the reference to "$500.00" is deleted and
replaced with "$1,000.00".

12. In Article VIII, Section 2, second paragraph, the following sentence is added after the first sentence: "The $1,000.00 may also be used by the Association to satisfy delinquent assessments and unpaid fines, and if the $1,000.00 is used for these purposes, the Board of Directors may elect to require the Owner to place replacement monies in escrow to satisfy the $1,000.00 requirement. Failure to post or replenish the required $1,000.00 deposit shall be interpreted as a violation, and therefore subject to fines."

13. In Article VIII, Section 2, second paragraph, last sentence, the phrase "after the tenant
vacates the unit" is deleted and replaced with "after the Lot and Unit becomes owner-occupied again."

14. Article IX, Section 3(c) is deleted in its entirety and replaced with the following:

(c) The Fine Committee may impose a special assessment (*i.e.*, fine) against the Lot owned by the Owner in an amount not to exceed $100.00 per violation. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no such fine shall in the aggregate exceed $1,000.00. If the Florida Statutes are amended to permit fines in excess of $100.00 per violation and/or aggregate fines for continuing violations in excess of

$1,000.00, the maximum dollar amount of fines in this section shall be automatically amended and deemed to provide for such higher fines.

15. Article XI, subsection (d) is deleted in its entirety and replaced with the following:

(d) Each Member shall be liable to the Association for any damage to the Common Areas which may be caused by the negligence or misconduct of any Member or his/her Member's Permitees. If the Board of Directors, in its sole discretion, chooses to submit a claim to its insurance carrier for damage to the Common Area caused by a Member or his/her Member's Permitees and the claim is paid in whole or in part, the Member shall only be responsible for the amount of damage not fully covered by collected insurance. The Association reserves the right to charge such Member an assessment equal to the increase, if any, in the insurance premium which is in any way attributable to the damage caused by the Member or the Member's Permitees. Nothing is this section requires the Association to submit a claim for damage to its insurance carrier or to wait for the insurance carrier's determination of a filed claim before it takes action against the Member to recover monies relating to damage to the Common Areas.

16. Article XII, Section 1, fourth paragraph (pertaining to flood insurance) is hereby deleted in its entirety.

17. The term "The Falls" appearing in Article XII, Section 5 of the Declaration is hereby corrected to be "The Ridges."

18. Article XVI, Section 15 is hereby deleted in its entirety and replaced with the following:

Section 15. Common Areas, Clubhouse Facility, Ancillary Appurtenances, Use of Common Areas, Certain Easements, Community Systems. Upon proper application submitted to the Association or its designee, the clubhouse facilities and other Common Areas may be reserved by Owners in good standing for their exclusive use for parties, social functions, meetings and other events. The Board of Directors may promulgate rules, regulations and restrictions, including, without limitation, insurance requirements, deposits and rental fees. The reservation or rental of the clubhouse

facilities or Common Areas by Owners shall not be interpreted as restricting the use and enjoyment of the Common Areas by any Owner or his/her Permitees.

These amendments shall relate back to and be effective as of the date of the original recording of the Covenants.

IN WITNESS WHEREOF, the Developer has executed this Amendment to Declaration of Covenants as of the 7th day of August, 2000.

Signed, sealed and delivered in the presence of:

Sandy Herndon

Print Name: Sandy Herndon

Gwendolyn H. Chiesa

Print Name: GWENDOLYN H. CHIESA

Arvida/JMB Partners, a Florida general partnership

By: Arvida/JMB Managers, Inc., a Delaware corporation and general partner

By: _____

Print Name: George E. Casey Jr

Print Title: Vice Pres.

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this 7th day of August, 2000, by GEORGE E. CASEY, JR., the VICE PRESIDENT of Arvida/JMB Managers, Inc., a Delaware corporation, general partner of Arvida/JMB Partners, a Florida general partnership, on behalf of the corporation and partnership, who is personally known to me OR who produced _____ as identification.

Notary Signature

G H Chiesa

Print Notary Name

NOTARY PUBLIC

State of FLORIDA at Large

My Commission Expires:

G. H. CHIESA
MY COMMISSION # CC 770975
EXPIRES: March 28, 2002
Bonded Thru Notary Public Underwriters