Below is the APPROVED draft of the proposed Rules and Regulations for the Black Diamond Homeowners Association. These are not amendments to the Covenants, nor are they intended to replace Architectural Control Guidelines. Amending the Covenants or By-Laws requires two-thirds affirmative vote of eligible homeowners. Rules and Regulations can be adopted by a majority of the Board at a properly noticed Board of Directors meeting. The ACC Guidelines can also be amended by the Board as needed.

A Rule can provide more detail than a Covenant, but cannot be more restrictive. The Association’s Attorney has reviewed the proposed Rules and Regulations to assure that they meet this requirement and are reasonable prior to being approved.

The Rules below are comprehensive and the intent is to address situations that have come up in day-to-day operations. They are intended to provide homeowners, their family members, guests, invitees, contractors, service people, and others with specific information and guidelines.

The below Rules & Regulations were approved at a duly called Board Meeting on September 26th, 2013.
PREAMBLE

The purpose of this revised set of Rules and Regulations is to maintain the quality of life and set standards for the maintenance of the community including Homeowners’ Lots and Dwellings, and the common areas of Black Diamond. The Board of Directors is authorized by the Governing Documents to adopt Rules and Regulations for the community. The intention is to have Rules and Regulations that are easily referenced and understandable. The Board of Directors asks for the cooperation of Homeowners, the Property Management company and service providers in complying with these Rules & Regulations. Consistent with the authority provided by the Governing Documents, the Board may amend, clarify or alter these Rules from time to time.

All Owners and guests must adhere to all the Rules and Regulations. Any violations will be grounds for a penalty or penalties. These can include but are not limited to suspension of Clubhouse, Fitness and Recreational facility privileges and/or fines. If a member, family or guest destroys damages or takes property belonging to the Association the costs for replacing or repairing damaged or stolen property will be assessed to the Owner. In addition criminal charges may be sought. This also applies to private property as well.

SECTION 1
GENERAL RULES

1-1. Homeowner’s Responsibility: With respect to compliance with the Rules and regulations, a Homeowner is responsible for the actions of family members, guests, invitees, tenants, contractors and other persons on Homeowner’s property or over whom the Homeowner otherwise reasonably exercises control and supervision.

1-2. Observance of Laws: All applicable laws, zoning ordinances, and regulations of all government bodies having jurisdiction over Black Diamond shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction relating to Association Property or any Lot or Dwelling shall be corrected by, and at the sole expense of, the responsible Homeowner and, as appropriate, the violator. A Homeowner or resident who observes anyone breaking the law is advised to call the Palm Beach Sheriff’s Office at (561) 688-5447.

1-3. No Improper Use: No improper, hazardous or unlawful use shall be made of the Association Property or any Dwelling or Lot.

1-4. Damage to Common Areas by Homeowners, Guests, Invitees, Tenants: If damage to any common area is caused by a Homeowner, their family members, their Guest, Invitee or Tenant, the Homeowner will incur an immediate Fine for the cost of the repair and clean-up plus $50 administrative fee.

1-5. Nuisances: Nothing shall be done which may create an unreasonable annoyance or a nuisance to any other Homeowner or which interferes with the peaceful possession or proper use of the Homes or surrounding areas. Nothing shall be done within the Association Property or any Home or Lot which tends to cause embarrassment, discomfort or unreasonable annoyance or nuisance to any Homeowner or family members, guests, invitees and tenants using any portion of the Community.

1-6. Violations: Violations of any Rule or Regulation shall subject the responsible Homeowner and/or violator to any and all remedies available to the Association pursuant to the Declaration and Covenants of Black Diamond (the "Declarations"), the By-laws, the Articles of Incorporation, the Rules and Regulations of the Association and Chapter 720 of the Florida Statutes which addresses Homeowners Associations. All violations of any of the Rules and Regulations should be reported immediately to the Board, the Property Management Company or other designee. Disagreements concerning violations or non-compliance shall be presented to and be ruled upon by the Grievance Committee, the Board of Directors, or its agent in accordance with the Declaration of Covenants.

1-7. Enforcement: Failure to enforce a violation in the past does not condone or allow a violation to continue. Failure of a Homeowner to comply with the Governing Documents or any Rule or Regulation adopted by the Association shall be grounds for action which may include a demand to correct the violation, the imposition of fines and legal action consistent with Florida law if the violation is not abated or cured.
1-8. **Revocation:** Any temporary tolerance of a violation of the Governing Documents or Rules & Regulations which may be granted to accommodate unique circumstances or to provide a Homeowner with time to cure a violation shall be revocable by the Board at any time and shall not be considered a waiver, consent or approval of the violation.

**SECTION 2**

**GENERAL MAINTENANCE AND APPEARANCE OF HOMES**

2-1. **General:** Each Homeowner shall keep and maintain the Dwelling and Lot in good order, condition and repair and shall perform promptly all maintenance and repair work on Homeowner’s Dwelling or Lot as needed. Dwellings shall be kept painted and paint shall be maintained in good condition. Roofs, driveways and exterior walls shall be kept free of oil stains, mold, mildew or other discoloration. Missing roof tiles shall be promptly replaced. Landscaping must be maintained and all dead leaves, fronds, branches or other portions of landscaping material shall be removed.

2-2. **Personal Property:** Toys, bicycles, tricycles, tools, containers, sports apparatus, empty planters or other personal property shall be stored overnight inside the Homeowner’s Dwelling or garage and not be visible to surrounding neighbors or from Association Property.

2-3. **Window Décor, Screens:** Window treatments (drapery, blinds, decorative panels and other tasteful window coverings) are permitted. No newspaper, aluminum foil, sheets or other temporary window coverings are permitted except for a period not to exceed two weeks after a renovation or addition is completed, or when permanent window coverings are being cleaned or repaired. Screens on windows and patio or pool enclosures shall be maintained in good repair. Loose, torn or missing screens must be replaced or repaired.

2-4. **Alteration of Drainage:** The swales (the area between the sidewalk and the paved road surface) are part of the surface water drainage system for the community. No alteration of the grade or condition of any swale including landscaping and no plantings in the swales are permitted without the prior written consent of the Architectural Control Committee.

2-5. **Outdoor Furniture:** Decorative outdoor furniture shall be permitted in the front yard of a Home with ACC approval. Outdoor furniture visible from other lots shall be maintained in good repair free of mildew, rust, wood rot and deterioration.

2-6. **Air Drying:** No linens, clothes, rugs, mops, laundry or other articles shall be hung, dried or aired from any window, balcony, wall or fence in such a way as to be visible to any other Homeowner. Clotheslines shall be permitted within a Lot, but will require HOA approval for placement within the Lot.

2-7. **Moveable Soccer Goals, Backstops and other Sports Apparatus:** Any moveable sports equipment falls under rule 2-2 above for Personal Property and shall be stored overnight inside the Homeowner’s Dwelling or garage so as not to be visible to surrounding neighbors or from Association Property.

2-8. **Swings, Play Equipment:** Swings and play equipment must be approved by the Architectural Control Committee (ACC) prior to installation. Permanently installed play equipment is subject to ACC approval and must be of a type common to playgrounds designed for children. The Homeowner shall maintain the equipment in good repair free of mildew, rust, wood rot and deterioration of equipment components. Equipment in disrepair shall be reconditioned or removed by the Homeowner.

Generally, all playground equipment shall be installed only in the rear yard. The rear yard is defined as the area created between the side walls of the home if said walls were extended to the rear property line on a rectangular lot. On irregular shaped lots (corner and pie shaped), the rear yard shall be the area beyond the rear elevation of the home.

Playground equipment shall be less than twelve (12'-0") feet high at its highest point and placed more than six (6'-0") feet from the property lines and shall be neutral/natural or earth tones in color, if available.

Items may be required to be screened with landscaping to soften and block the view of it from the street, from lake lots and from other neighboring lots. Such landscaping requires prior ACC approval.

The item shall not impact the view of the lake from neighboring properties.
The item shall not be placed on any easement.

The item requires approval of the ACC if it is installed permanently or cannot be easily moved. If the item is not removed from the exterior of the property on a daily basis, approval of the ACC shall be required prior to placement. Prior to approval, the ACC shall take into consideration the effect of the installation on neighboring homes.

2-9. **Tree House(s):** Tree houses are strictly prohibited within the Community, on any Homeowner’s lot or on any Common Area.

2-10. **Signs:** No sign of any kind (for sale, for rent, open house, garage sale, etc.) shall be displayed in public view on any Lot or Common Area without the prior approval of the Architectural Control Committee (ACC) or the Board of Directors. The overnight display of any sign attached to or part of any automobile or truck is prohibited. The display of any construction company, lender, and /or contractor sign is prohibited. Political candidate or issue signs are prohibited. An exception would be for one security company sign or decal placed in the front yard or window, and one sports team flag displayed in an acceptable manner on a flag pole or wall mount.

2-11. **Sidewalks:** The Homeowner of each Lot shall keep the sidewalk located on and/or adjacent to their Lot free from any impediments including overhanging trees, hedges, shrubs, flowers, bulkheads, built-in planters or other solid objects. Sidewalks are periodically pressure cleaned by the Association. A Homeowner may clean the sidewalk adjacent to his Lot at the Homeowner’s expense at any time.

2-12. **Mailboxes:** Maintenance of the mailbox for each Home including the post, arm and numbering is the responsibility of the Homeowner. No signs, numbers, letters, designs, newspaper tubes or other add-ons are permitted. No plantings are permitted around the mailbox post.

2-13. **Temporary Buildings, Storage Sheds, Tanks, Shacks:** No tent, trailer, storage shed, dog house, temporary building, above ground storage tank, accessory building or other temporary structure shall be placed or erected on any Lot.

2-14. **Addresses and House Numbering:** If replacing the address numbers on the house, the new numbers must be consistent with the existing style within the neighborhood.

2-15. **Holiday Lighting and Displays:** Christmas, Hanukah and Holiday Season displays may be installed at Thanksgiving and are required to be removed by the second weekend in January. Other seasonal or holiday displays including Easter, 4th of July, Halloween, Thanksgiving or other event may be installed 2 weeks prior to the holiday or event and removed by the second weekend following.

2-16. **Display of Flags:** Properly displayed U.S. Flags are permitted without Architectural Control Committee (ACC) approval. All other flags and banners including but not limited to Characters, Seasonal, Sports Team Banners or Logos, International flags and other symbols require ACC approval prior to being displayed.

2-17. **Garages:** No Owner of a lot may convert into living space the interior of any garage located within a home. All garages must allow for the parking of one average sized automobile at all times.

2-18. **Portable A/C Units:** No portable or wall/window air conditioning units shall be installed upon any portion of the home, including the garage.

2-19. **Patio Structures:** A patio and/or yard structure includes, but is no limited to, Gazebos, Pavilions, Front Entry Features, Trellises, Pergolas, Tiki Huts, and Arbors. All Patio Structures require formal application to the Architectural Control Committee ("ACC") for review and approval. Patio Structures shall comply with all rules, ordinances, covenants and applicable state and local building codes. It is the individual Homeowner’s responsibility to comply with all requirements. All Patio Structures shall be located outside the required setback areas and shall be harmonious in design, scale, materials, landscaping, and color of the house. The ACC may consider input from neighboring homeowner’s in evaluating the impact of said structures.

All portions of a Patio Structure, free standing and/or fixed, shall be located within the homeowner’s lot and shall not encroach in any required setback area. The location of the structure, where applicable, shall preserve Lake Views, and remain unobtrusive to any other common area of the community.
All Patio Structures shall comply with all applicable state and local building codes. Structural design shall incorporate safety precautions encompassing the avoidance of loose debris resulting from winds or structural failure.

2-20. **Garage Sales:** Garage sales are permitted in Black Diamond. Signs, banners, displays, or the like are not permitted to be placed upon the owners lot, common area, or any location within the Community.

### SECTION 3
**FENCES, BASKETBALL HOOPS, POOLS**

3-1. **Fences:** The Homeowner of each Lot shall maintain, repair and replace as needed any fencing on the Lot. Maintenance shall include, without limitation, repairing damage, cleaning, painting, and keeping gate hinges and latches operable.

3-2. **New Fences:** Approval by the Architectural Control Committee (ACC) is required before a fence can be installed. Four foot high white, black or bronze aluminum fencing is permitted; the fence height of a Lake Lot can only be four feet high. Chain link fencing, wood fencing and masonry walls are expressly and strictly prohibited.

3-3. **Fencing Locations:** No fencing shall be placed in any lake maintenance easement. No fencing shall be installed in any utility easements without the prior written consent of the utility companies. Fencing of the front yard is not permitted. All fences shall be set back a minimum of 5’ from the front of the applicant’s house and at least 5’ back from the sidewalk, where applicable.

3-4. **Basketball Apparatus:** Basketball hoops are to be standard height (10 feet) on a black aluminum pole with a white or clear backboard. Backboard must be the type that can be removed prior to hurricane strength winds. Where a pole is installed in the front of the house the pole must be centered between the sidewalk and house on the outside of the driveway and must be cemented into the ground. No installations attached to the house will be permitted. Portable basketball hoops can only be kept on the owner’s lot on the house-side of the sidewalk and may not be stored on the swale, in the street, or at the foot/apron of the driveway. Portable hoops must be kept in the upright position when not in use and are never to be laid down across the grass on any portion of the lot.

3-6. **Hours of Basketball Play:** Basketball can only be played between the hours of 9:00 A.M. and sunset.

3-7. **Basketball Apparatus Maintenance:** The pole and backboard of a basketball goal must be maintained, repaired or replaced, when required. Incomplete, worn or tattered nets must be replaced. Tires, cement or sand bags, tiles or bricks, or any other material of the like may not be used as a weight to hold down the base of the portable basketball hoop.

3-8. **New Swimming Pool:** Architectural Control Committee (ACC) approval is required prior to installing a new swimming pool, spa, or hot tub. Refer to the ACC Design Guidelines in the Governing Documents for detailed requirements. Above ground swimming pools are prohibited.

### SECTION 4
**LANDSCAPE MAINTENANCE AND REPLACEMENT**

These “Landscape Maintenance and Replacement” rules are intended to maintain the aesthetics of the Black Diamond community including Association Property and all Homeowners’ Lots. Diversity in appearance exists in the architecture of Black Diamond homes and is encouraged for the landscaping and re-landscaping of homes. It is the responsibility of each Homeowner to maintain and/or replace landscaping on the Lot as needed. Architectural Control Committee (ACC) approval is required prior to performing any major re-landscaping or installation of any landscaping including but not limited to trees, shrubs, or hedges. Before performing any landscaping, Homeowners must contact the on-site Property Manager and landscape vendor for Black Diamond to have them mark, disconnect, or remove any irrigation lines that exist in the planned areas.

4-1. **Homeowner Maintains Landscaping:** The Homeowner shall maintain and care for any landscaping on the Lot including flower beds, hedges and trees.

4-2. **Maintain Landscape Integrity:** The Homeowner shall maintain all shrubs, small plants, ground covers and bushes. Landscaping shall be trimmed and maintained so as to not protrude over or above sidewalks. Dead plants must be replaced with healthy plants. No live tree or shrub, the trunk of which exceeds two (2) inches in
diameter shall be cut down, destroyed, or removed from a Lot without the prior written consent of the Architectural Control Committee (ACC).

4-3. **No Artificial Plants:** No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot.

4-4. **Tree Maintenance:** The Homeowner of each Lot shall maintain and trim the trees located within the Lot. Canopy trees must be pruned to allow wind flow through the canopy to prevent toppling in a windstorm. Palm trees shall be maintained free of dead or hanging palm fronds.

4-5. **Removal and Replacement of Dead Trees:** Approval from the Architectural Control Committee is required prior to removing and replacing a dead tree. As a rule, any dead tree shall be replaced with a similar tree, unless approved by the ACC. The height and girth of the replacement tree must meet the ACC requirements. If the removal only is approved, “tree removal” includes removal of all above ground growth, grinding out the root stump, grinding out any above surface or protruding roots, restoring the grade and contour of the removal area, and sodding or landscaping the impacted area.

4-6. **Tree Root Intrusion:** If the roots of a tree intrude upon any community infrastructure (i.e. electric, water, sewer, telephone, cable or other systems) or lift or in any other way effect sidewalks, driveways, or roads, it is the responsibility of the Lot Owner on which the tree is located, upon notice from the Board or its agent, to have the intruding roots cut and removed. If the tree becomes unstable due to root cutting in the opinion of a trained horticulturist or arborist, then the tree shall be removed by the Lot Owner.

4-7. **Plantings on Common Areas:** No plantings on common grounds (community property) shall be permitted by any homeowner. This prohibition includes no plantings in lake maintenance easements and utility easements located on community property.

4-8. **Approval for Hedge:** The installation of any hedge or fence must be approved before the work starts by the Architectural Control Committee (ACC).

4-9. **Hedge Maintenance and Dimensions:** The Association has adopted a hedge height limitation of six (6) feet and a width limitation of 4 feet. All hedges shall be kept shaped and trimmed within the height and width limitations (rounded edges are permitted as long as the shape is maintained regularly). The Homeowner of the Lot on which the hedge is planted is responsible for maintaining the hedge on all sides to these standards.

4-10. **Hedge Setback:** Any hedge planted along a fence or along a boundary with a neighboring Homeowner’s lot must be installed with a minimum of 2 feet of space between base of the plant and the lot line or fence so that the shrubbery will grow entirely within the Homeowner’s lot and maintenance may be performed without accessing the neighboring Lot. Hedges shall be maintained so that they do not grow beyond the Homeowner’s lot. Plantings may not be placed, in some cases, all the way to the rear property line if such will impede the view to the lake for an adjacent property owner.

4-11. **Planting on Swales:** No plants, trees, shrubs, ground covers, or the like are permitted to be planted in the swales. No plantings of the same are permitted around the base of mailboxes.

**SECTION 5**

**Lake Lots**

5-1. **Landscaping:** No landscaping or other improvements on the lake lots which materially interfere with the view of the lake by immediate neighbors who are also lake lot owners shall be permitted.

5-2. **Lake Views and Landscaping:** In review of proposed and specifications of landscape design and materials for lake lots, including, but not limited to, any massed plantings, the ACC will take into consideration the effect on the lake views of such landscaping, both at the proposed time of installation and at the time when maximum growth shall have occurred.

5-3. **Fences on Lake Lots:** The only fence types allowed on the back and sides of a lake lot shall be an aluminum rail picket fence, with the rails no wider than one (1") inch and no closer together than three (3") inches on center and having a height no greater than forty-eight (48") inches, unless otherwise
required by applicable governmental laws, statutes, ordinances, rules or regulations. Notwithstanding anything contained in the Declaration, such aluminum rail picket fence is the only type of fence which the ACC may approve for installation on the back and sides of a lake lot.

SECTION 6
PARKING AND VEHICULAR RESTRICTIONS

6-1. **Parking and Vehicular Rules and Regulations**: Each apply to a Homeowner, the Homeowner's family members, invitees, visitors, guests, contractors and tenants of the Homeowner. If the operator of a vehicle is visiting a home in the community, the owner of that home shall be held responsible to inform said visitor of the parking regulations and shall be held responsible for the actions of that visitor, including his/her parking in violation of this section.

6-2. **Speed limit**: Speed limit is 30 M.P.H. throughout all streets of Black Diamond.

6-3. **Permitted Vehicles**: Only automobiles, pick-up trucks, and vans constructed as private passenger vehicles, and other vehicles manufactured and used as private passenger vehicles, may be parked within the Property overnight without the prior written consent of the Association, unless kept within an enclosed garage. In particular and without limitation, no vehicle shall be parked outside of a Unit overnight without the prior written consent of the Association if commercial lettering or signs are painted to or affixed to the vehicle, or if commercial equipment is placed upon the vehicle, or if the vehicle is a, recreational vehicle, camper, trailer, boat, or other than a private passenger vehicle as specified above. If a pick-up truck or van has racks, toolboxes, equipment or signs/lettering it must be parked at all times within the garage with the garage door closed.

6-4. **Parking**: Parking shall only be permitted on driveways and inside garages. If a Homeowner has contractors on site, or is hosting an event or party and the number of cars and/or trucks exceeds the capacity of the driveway, short term parking is permitted along one side of the street. Residents are responsible for notifying their guests of this rule and assuring that guests comply. When parking in the street, vehicles must park on the correct side of the street that is with traffic. Parking perpendicular across driveways is not permitted.

6-5. **Overnight Parking**: No overnight parking on the streets or swales is permitted. Vehicles parked on the roadway between the hours of 10:00 p.m. and 5:00 a.m. shall be considered "parked overnight" and the owner and/or operator will be subject to fine and the vehicle subject to being towed.

6-6. **No Parking Across Sidewalk**: If a vehicle is parked in the apron portion of the driveway (between the sidewalk and the street), the vehicle may not obstruct the sidewalk, traffic on the street, or access to any mailbox.

6-7. **No Blocking of Ingress or Egress**: No vehicle shall be parked or allowed to remain positioned in a manner that impedes any sidewalk, street traffic, ingress and egress to another Homeowner’s driveway, or obstructs access to any mailbox.

6-8. **Towing**: A vehicle that is parked so as to block a sidewalk from pedestrian traffic, parked on the swale, or parked in the roadway overnight may be towed without further notice to the homeowner or operator of the vehicle, as this section and any applicable sections of the Declaration are deemed sufficient notice that such parking is not permitted and that violators are subject to fine and the vehicles subject to being towed at the sole expense of the owner of such 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.

6-9. **Prohibited Vehicles**: Motor scooters, mopeds, electric scooters, motorized skateboards, and other non-licensed, non-registered vehicles are not permitted except with the prior written consent of the Association which may be withdrawn at any time, and if permitted must be equipped with appropriate noise muffling equipment so that the operation of same does not create an unreasonable annoyance to the residents of Black Diamond.

6-10. **Recreational Vehicles**: The parking of Recreational Vehicles (RVs) on the streets and/or in the Clubhouse parking lot is prohibited at all times. Exception: RVs may be parked at a residence on a short-term basis (up to six hours) during daytime hours for the express purpose of loading or unloading personal property.

6-11. **Golf Carts**: Golf Carts are permitted but must be registered with the Association prior to being operated in Black Diamond. The Association also requires compliance with Florida Statute 316.212 Operation of Golf Carts which states:
(5) A golf cart may be operated only during the hours between sunrise and sunset, unless the golf cart is equipped with headlights, brake lights, turn signals, and a windshield.

(6) A golf cart must be equipped with efficient brakes, reliable steering apparatus, safe tires, a rearview mirror, and red reflectorized warning devices in both the front and rear.

(7) A golf cart may not be operated on public roads or streets by any person under the age of 14.

6-12. **Motorcycles:** Only Motorcycles with proper mufflers so as not to cause a nuisance are permitted in Black Diamond and must be registered with the Association prior to being ridden within Black Diamond.

6-13. **Close Garage Doors:** Garage doors shall be closed overnight and shall otherwise be left open only when necessary to access the garage. Garage doors should not be left open for long periods of time.

6-14. **Operating Condition of vehicles:** All vehicles shall be kept in proper operating condition so as not to be a hazard or a nuisance by noise, exhaust emission, appearance or otherwise. Homeowners and their guests shall maintain a current registration, current license plate, and all required insurance coverages for all vehicles parked within Black Diamond.

6-15. **Vehicle Repairs:** No Homeowner shall conduct repairs on a vehicle (except in the case of an emergency or within the garage of the Home with the garage door closed). No Homeowner shall perform restorations of any motor vehicle, boat, trailer, mobile home or other vehicle within the Community unless made within the garage with the garage door closed.

6-16. **Clubhouse Parking:** All vendor over-night vehicles are permitted to park in the parking lot ONLY with the prior approval from the Property Manager. When an overnight guest cannot park his/her vehicle in an owner’s garage or driveway he/she will be permitted to park in the clubhouse parking lot.

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**SECTION 7**

**ANIMALS AND PETS**

7-1. **Animal Control Ordinance:** Palm Beach County Animal Care and Control Ordinance 98-22 applies to all of Black Diamond and to Homeowners, their family members, guests, invitees, tenants, contractors and other persons on the Homeowners’ property.

7-2. **Household Pets:** Only common household domestic pets may be kept by Homeowners. As a further limitation, no more than two (2) pets may be kept on any Lot.

7-3. **Pit Bull Dogs and other “like” or dangerous breeds Prohibited:** Pit bull dogs and other “like” or dangerous breeds are prohibited in Black Diamond.

7-4. **No Commercial Breeding:** Permitted pets may not be kept, bred or maintained for any commercial purpose. No wild animals, livestock or poultry of any kind shall be kept, raised, bred or maintained on any portion of a Lot or Association Property.

7-5. **Leash Required:** No person keeping a pet shall permit it to go or stray upon any other Lot or Dwelling Unit without the permission of the Homeowner thereof and all Pets shall be kept on a leash at all times while such pet is outdoors or fenced-in area. Pets may not be left outdoors if the pet owner is not home.

7-6. **Responsibility for Property Damage:** Pet owners are responsible for any property damage, personal injury or disturbance which their pet may cause or inflict. Each Homeowner who determines to keep a pet agrees to indemnify the Association, Board of Directors, and Property Management Company and hold the Association, Board of Directors, and Property Management Company harmless against any loss or liability of any kind arising from or growing out of the Homeowner having any animal in the Community.

7-7. **Pet Feces:** All feces deposited by a pet on any portion of Black Diamond shall be immediately removed by the Pet Owner and disposed of in a proper container on the Pet Owner’s Lot or designated pet waste area.

7-8. **No Unattended Pets:** Pets shall not be left unattended outside of the Home. No pet shall be kept tied up outside of a Home or in any covered, fenced or screened porch or patio, unless someone is present in the Home.

7-9. **Pet Nuisances:** No owner shall let their pet be a nuisance to their surrounding neighbors. Any dog that has control or barking issues may not be kept outside for extended period of times.
SECTION 8
USE OF LAKES, LAKEFRONT LOTS

8-1. **Fishing is Allowed:** Homeowners, or the family members, guests, invitees and tenants of Homeowners, are permitted to engage in "catch and release" fishing in the lakes. All persons fishing in Black Diamond lakes or canals do so at their own risk.

8-2. **Boats, Watercraft and Storage:** The use of non-motorized boats including rowboats, canoes, kayaks, paddle boats and other watercraft is prohibited. Watercraft may not be stored on the lake bank. Watercraft must be stored in the Homeowner’s garage with the garage door closed. Watercraft for use outside of the community including but not limited to motor boats and wave runners and trailers for such craft shall not be stored on the lake banks, easements or any part of the homeowner’s lot except that such watercraft and trailers may only be within a garage with the garage door closed.

8-3. **Littoral Plantings Protected:** No removal or damage shall be caused to any littoral or wetlands plantings. Direct discharge of pool drainage water into the lakes is prohibited. Fishing in littoral plantings or conservation areas is prohibited.

8-4. **Grass Only on Lake Banks:** No plantings other than lawn grass are permitted on the lake bank. No items may be placed or stored on the lake bank beyond the Homeowner’s lot property line. Boats, benches, fences, potted plants, landscaping and other items are prohibited.

8-5. **No Simulated Beaches or Docks:** No installation of sand or other materials intended to simulate a beach is permitted along the lake banks or within the lake maintenance easements or rear yards of Lake Lots. No docks, piers or moorings are permitted along the lake banks or within the lake maintenance easements or rear yards of Lake Lots.

8-6. **Non-Native Species:** The introduction of non-native and exotic species of fish, such as tropical fish, or plant life into the lakes and canals is prohibited. These can cause harm or destroy native species and plants.

8-7. **Swimming or Wading:** Swimming or wading in lakes or canals is prohibited.

SECTION 9
LEASING AND OWNERSHIP OF HOMES

All leases must be in compliance with the Documents of the Association. No Owner may lease their home, nor may a lessee reside in a portion of the home without the prior approval of the Association. In addition to all other leasing requirements, conditions and procedures as set forth in the Association’s governing documents, all lease / tenant applicants (over the age of eighteen (18) and named in the proposed lease agreement) are required to have a minimum credit score of 650 as one of the conditions for obtaining Association approval for a lease / lease renewal. Review the Association Documents for complete policies and rules regarding renting.

9-1. **Covenants and Rules Apply to Tenants:** All leases shall provide that the right of the tenant to use and occupy the Home and the Association Property shall be subject and subordinate in all respects to the provisions of the Declaration, By-laws, Articles of Incorporation and the Rules and Regulations of Black Diamond Homeowners Association, Inc.

9-2. **Minimum Lease Term:** All leases shall provide for a minimum lease term of twelve (12) months. No lease shall provide for an early lease termination which would reduce a lease term to a period of less than twelve months except in the event of a default by the tenant.

9-3. **Lease Copy and Application to Association:** The Homeowner shall provide a copy of all leases, lease applications, and corresponding fees (if applicable) to the Association and register the names and addresses of the tenant(s), subtenant(s), or assignee(s) with the Association.

9-4. **Past Due Accounts:** All past due Assessments on an Owner’s Lot including Special Assessments, late fees, fines and/or legal fees due the Association, must be paid before approval for the Lease Application is given.

9-5. **Automatic Renewal:** No lease may be renewed or extended automatically. A new Rental Agreement must be submitted to the Board of Directors for approval 30 days prior to the lease expiration date.

9-6. **Lease Extension:** No lease may be extended (e.g. month-to-month) beyond its original term.
9-7. **Joint Responsibility:** The Homeowner of a leased Home shall be jointly and severally liable with Homeowner’s tenant for compliance with the Association Documents and the Rules and Regulations and to the Association to pay Assessments and/or any claim for injury or damage to persons or property caused by the acts or omissions of the tenant and/or those for whom the Homeowner is responsible.

9-8. **Market Rental Rate:** All leases must be for a fair market value rental rate. In the event a proposed lease contains a rent amount that is deemed to be grossly less than the then fair market value rental rate, in the sole and absolute discretion of the Board, the owner(s) and applicant(s) agree to the Association’s engagement of a licensed Florida realtor of the Board’s choosing to provide comparable rental rates for other homes in the community of similar size, type and description. Based on the rent comparables obtained, the Board shall reserve the right to reject and deny a proposed lease if the Board, in its sole and absolute discretion, deems the proposed rent amount to be grossly less than the comparables obtained.

### SECTION 10
TRASH AND OTHER MATERIALS

10-1. **Rubbish and Trash:** No rubbish, trash, garbage, refuse, tree limbs, grass clippings, hedge trimmings or other waste material (“Trash”) shall be kept or permitted on any Lot or on Association Property except in sanitary, closed containers or temporarily stockpiled for pick-up.

10-2. **Lawn Debris:** Pick-up of lawn debris is currently scheduled for every Tuesday. A Homeowner may stack properly cut debris in the paved road not more than twenty-four (24) hours before pickup. All Homeowners must comply with the rules for the size and weight limits on lawn, shrub and tree debris. Small loose materials such as leaves, trimmings, fruit, seeds, small fronds and weeds must be put in a container. Those containers may be put out as noted for garbage cans. The use of recycling containers for lawn debris is prohibited. After a scheduled pick-up, Homeowners are required to clean up excess debris.

10-3. **Trash Containers:** All garbage, trash and recycling containers must be stored within the Homeowner’s garage or other location not visible from the street or adjacent lots.

10-4. **Trash Pick-up Times:** Pick-up is every Tuesday and Friday. Containers may be placed curbside no more than twelve (12) hours before pickup. After pick-up, containers must be returned to the storage area within 12 hours after a scheduled waste collection.

10-5. **Recycling Containers:** Recycling is picked up once per week on Tuesday. The same timing as trash containers applies to recycling containers.

10-6. **No Odors:** Each Homeowner or Resident is responsible to maintain trash container(s) so odors or leaks do not cause a nuisance to any other Lot or impact Association Property.

10-7. **Container Plants, Garden Implements, and Tools:** Container plants that have not been installed in-ground shall be stored so as not to be visible to surrounding neighbors or from Association Property. Garden implements and tools shall be stored inside the Homeowner’s garage.

10-8. **Regular Clean-up:** Each Homeowner or Resident shall regularly pick up and dispose of all Trash around Homeowner’s or Resident’s home and lot.

### SECTION 11
HURRICANE PREPAREDNESS AND AFTERMATH

Hurricane Preparation: Each Homeowner is responsible for preparing the Dwelling and Lot if a tropical storm or hurricane watch or warning (a “storm event”) is declared for the area including Black Diamond. If a Home is unprotected, the residents should seek safe cover in a designated public shelter or a neighbor’s home with hurricane protection. A Homeowner is required to prepare the Dwelling and Lot prior to a storm event by removing all outdoor furniture, portable sports equipment, potted plants, planters and other moveable objects, if any, from the covered patio, pool deck, or screen enclosure area and from the outside of the Home. All major trimming and pruning should be completed prior to Hurricane Season which begins June 15th. **Under no circumstances should lawn debris, trimmings, other debris or trash be piled on a Lot or on Association Property when any type of storm watch or warning has been declared.**
11-1. **Removal of Coconuts:** Prior to each Hurricane Season, Homeowners with coconut palms are required to remove the coconuts from their trees.

11-2. **Absent for Hurricane Season:** Each Homeowner who plans to be absent from the Dwelling during the hurricane season, for more than two weeks during the season or during a specific storm event shall prepare the Dwelling and Lot prior to departure by removing all outdoor furniture, potted plants, planters and other moveable objects, if any, from the covered patio, pool deck, or screen enclosure area and from all other areas outside of the Home. The Homeowner shall also designate a responsible person to care for the Dwelling and Lot should damage occur on the Homeowner’s Information Form submitted to the Black Diamond management office.

11-3. **Hurricane Shutters:** Prior to installing attached hurricane shutters or the mountings for removable hurricane shutters, a Homeowner shall submit an application to the Architectural Control Committee (ACC) for approval. Hurricane shutters may only be closed or secured during hurricane season. Shutters may be closed or put up when a Tropical Storm or Hurricane Warning is in place for the area including Black Diamond. Shutters must be opened or taken down within three days (72 hours) of the cancellation of a tropical storm or hurricane warning.

11-4. **Hurricane Clean-up:** The Association shall be responsible for clean-up of common areas and other Association Property. Every effort will be made to clear roads for ingress and egress as soon as possible after a storm. Please do not drive off the road surfaces and damage swales and other landscaping. Either move debris out of the road or wait to drive until the roads are cleared. Each Homeowner shall be responsible for clearing the Homeowner’s Lot of storm debris. Debris should be piled neatly in front of the Homeowner’s Lot. Due to the lack of room on cul-de-sac Lots, the Homeowners should agree on a common location to pile debris on the road surface in a manner that does not block access to any driveway or prevents access for pick-up. Debris trucks need room to back up to debris for pick-up.

11-5. **Generator Use:** Emergency Generators are subject to the noise level limits of Palm Beach County. When electricity is out to a Dwelling or any portion of the Community, the use of portable generators or large generators without mufflers creating sound greater than 72 dBA is permitted. Portable generators should be located to minimize or eliminate the impact of exhaust fumes and noise on nearby homes. Follow the generator manufacturer’s instructions for safe operation. Never operate a generator in the house or in an enclosed area such as a garage. Hours of operating generators should comply with any state and local ordinances.

11-6. **Generator Storage:** When not in use and within 24 hours after the restoration or power, Generators and their fuel must be stored properly.

11-7. **Generator Connections:** Any modifications or additions to the home electrical system to accommodate a generator connection must be made in accordance with all code requirements and standards and must be made by a licensed and insured electrician. All required permits, if necessary, must be obtained by the resident.

11-8. **Clubhouse and Amenity Use:** Once the Clubhouse hurricane shutters are installed the clubhouse, tennis courts, pool, game room and fitness center will be closed for residents’ use until further notice.

11-9. **Electrical Wires:** Electrical cables or wires may not cross any streets or lawns.

**SECTION 12**

**COMMUNITY ACCESS AND GATEHOUSE**

12-1. **Gate Access Information:** Homeowners are requested to maintain an up to date Gate Access Information Form in their permanent file. Instructions and forms are available on the Black Diamond web site at www.blackhoaonline.com or by request at the Association office.

12-2. **Resident Access Devices:** An Owner or Resident is limited to one gate opening device (bar code decal) per vehicle and two clubhouse access cards per household. Each access device may be purchased for $10. When purchasing access devices, the Resident must bring their driver’s license to show proof of residency and vehicle registration if purchasing a gate decal. Access devices will only be given to Residents of Black Diamond; family members, friends, maids, or the like are not eligible to receive access devices.

12-3. **Access for Tenants:** Tenants or renters are subject to the same Rules and Regulations as Homeowners for Guard Gate access. See Section 9 “Leasing of Homes” for more information.
12-4. **Construction & Contractor Access Days and Hours:** Access for construction workers, contractors and service workers is limited to the hours of 8:00 am to 6:00 pm Monday through Saturday. No construction, maintenance or service worker access is permitted on Sundays or legal holidays.

12-5. **No Packages to Gatehouses:** No package or item delivery/drop off is permitted at the Gatehouses. Dropping off packages, envelopes, or other items at the Gatehouse by others for Homeowners to pick up or by Homeowners to be picked up by others is prohibited.

12-6. **Photo ID Required:** Photo Identification is required for visitor entry. All visitors are required to present a valid driver’s license or similar photo identification to be permitted to enter the community through the entry gate.

12-7. **Provide Party or Event List:** Homeowners and renters who host a party or other event are required to provide a printed or typewritten list of attendees (preferably in Alphabetical Order) to the Guard on duty at the Gatehouse at least an hour in advance of the time guests are expected to arrive.

12-8. **Child Safety:** Drive carefully and within the speed limit. Yield to pedestrians. Stop at all stop signs. Be especially careful when children are making their way to or from school.

12-9. **PIN Number:** A 4-digit identification pin number will be required for each household. The PIN number will be used when a member of a household is calling in a guest from an outside phone number that is not registered with the Gatehouse or on the Gate Access Form. This is a security measure taken to make sure non-residents are not calling in guests.

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**SECTION 13**

**TENNIS COURTS**

The Tennis courts are community property owned by all of the Homeowners at Black Diamond. Proper tennis etiquette and sportsmanship on the part of all players is required for everyone’s enjoyment on or near the tennis courts. All residents and guests must follow these Tennis Court Rules. Homeowners are responsible for the actions of their guests.

**Tennis Courts**

13-1. Hours of operation are 7:00 A.M. to 11:00 P.M. except during scheduled maintenance.

13-2. Keys will maintained at the Gatehouse and may be signed out from the Guard at the Gatehouse. Photo ID is required and will be held at the Gatehouse until the key is returned. If the key is not returned to the Gatehouse, a $25.00 fee will be charged to the person who signed out the key.

13-3. Gates must be closed and locked after entering or leaving the courts.

13-4. Only tennis may be played on the courts, including use of the tennis backboard. No other activities are permitted. No bicycling, skateboarding, rollerblading, roller-skating, scooters, mopeds or other riding are permitted on the tennis courts.

13-5. Courts are available on a first come, first served basis. If all courts are occupied, play must be limited as follows: Singles play – 1 hour, Doubles play – 1.5 hours.

13-6. Guests must be accompanied by at least one resident and a maximum of three (3) guests may play on a single court, accompanied by a resident.

13-7. If guests are under the age of 16, adult supervision is required.

13-8. When courts are available, a resident and his/her registered guests are welcome to play at any time.

13-9. Proper tennis attire is required. Shirts must be worn at all times. For men, tank tops are not permitted. However, sleeveless tennis/tee-shirts are permitted. No Bathing attire. Proper tennis shoes must be worn by all players at all times. No street shoes or flip flops.

13-10. Pets are not permitted within the tennis complex at any time.

13-11. Courtesy and tennis etiquette are required of all players. Loud, abusive language or disorderly conduct is not allowed. This behavior may result in the offender being asked to leave or suspended from court use.

13-12. No smoking within the tennis complex.
13-13. All tennis play is at your own risk. The Black Diamond Homeowners Association, Board of Directors, or Management Company assumes no responsibility for any accident or injury in connection with such use, or for any loss or damage to personal property.

13-14. Scheduled team matches have precedence over open play. The Association may conduct Exhibitions or Clinics which also have precedence over open play.

13-15. All litter, ball cans, and other debris must be placed in the receptacles provided. No glass containers are permitted in the court area. All belongings shall be removed from the courts when play is complete.

13-16. Residents, renters and guests may NOT enter the tennis courts for any purpose before or after official hours. Violators may be subject to arrest for trespassing and / or fined up to $100.00 for each occurrence.

13-17. No illegal activity or defacing of property. Resident will be responsible for the cost of repairs due to vandalism or inappropriate conduct.

13-18. Residents always have priority over guests.

13-19. No lifting or sitting on the tennis nets.

13-20. Residents may be fined up to $100.00 for any violation of these rules and procedures.

SECTION 14
FITNESS CENTER

14-1. The Fitness Center hours of operation are 5:00 A.M. to 12:00 A.M. (midnight) daily.

14-2. Only Residents and their guests may use the fitness center. All guests must be accompanied by a Resident.

14-2. Proper attire is required including athletic shoes and clothing. Tops and/or shirts must be worn at all times. No bare feet, flip-flops or sandals.

14-3. No food or beverages are allowed in the Fitness Center, except for bottled water. Place trash and debris in provided receptacles.

14-4. Persons 16 years old or older are permitted to use the exercise room. Children under age 12 are not permitted in the exercise room at any time. Persons under the age 16 must be accompanied by an adult when in the exercise room.

14-5. Individuals using exercise equipment shall assume all risk of injury from the use of the equipment. Use all equipment according to the instructions.

14-6. Do not drop free weights from any height – lower them to the floor. Return free weights and barbells to their proper storage location. Weights or equipment is not to be removed from the exercise room.

14-7. Wipe down machines especially handles and cushions after using a machine with the provided wipes or a towel.

14-8. Report any broken or malfunctioning equipment to the Black Diamond office in the Clubhouse.

14-9. There is a 30 minute time limit on machines when there are people waiting.

14-10. No smoking or pets in fitness center.

14-11. Use of radios, tapes, CDs, Ipods, digital players, without the use of headphones is prohibited.

14-12. Cellphone use is prohibited in the Fitness Center, unless there is an emergency. If a person needs to have a cell phone conversation, they must do so outside.

SECTION 15
POOL AREA

15-1. The pool is for the exclusive use of unit owners and their accompanied guests. No parties or organizational gatherings are permitted at the pool.

15-2. Use of pool facilities is at the swimmer’s own risk. No lifeguard is on duty.

15-3. Hours of operation are from Dawn to Dusk.

15-4. Children under sixteen (16) years of age are not allowed to use the pool unless accompanied by an adult.
15-5. Anyone who is not toilet trained or has bowel issues must wear a swim diaper. **Note:** Should this rule be violated and said Homeowner, guest(s), renter or renter’s guest(s), defecates or urinates in the swimming pool causing fecal contamination, the Homeowner shall be responsible for all costs incurred in the clean-up of the contaminated pool. The cleanup will be in accordance with the health code laws and requirements of Palm Beach County and the State of Florida at the expense of the Homeowner. In addition, fines and fees may be assessed.

15-6. Glass containers and drinking glasses are not permitted on the pool deck. No food or drink is permitted within 10 feet of the water. Dispose of trash properly in the provided receptacles.

15-7. All swimmers must wear proper swimwear. No cut-offs or jeans are permitted.

15-8. Dogs and pets are not permitted in the pool area.

15-9. No bicycles, skateboards, rollerblades, roller-skates, scooters, mopeds or go-peds are permitted around the pool.

15-10. All persons using the pool furniture are required to cover the furniture with towels when using suntan lotion. Furniture may not be removed from pool area.

15-11. No diving, running, ball playing, noisy or hazardous activity is permitted. Pushing, dunking, dangerous games and horseplay are not permitted. No rafts, beach balls, rings or flippers are allowed. Water wings are permitted. Scuba and snorkeling equipment, other than a mask, are not permitted, except as part of an organized course of instruction.

15-12. No radios are permitted unless used with headphones or ear buds.

15-13. Maximum number of people allowed in pool is 72;

15-14. No alcoholic beverages, smoking, or drugs of any kind are permitted.


15-16. Pool temperature not to exceed 104°F

15-17. Do not drink pool water.

15-18. NO DIVING.

15-19. Adhere to all posted signs.

15-20. Pool gate must be kept closed. Pool gate is not to be propped or tied open with rocks, tree limbs, carrying bags, rope, or the like.

15-21. Nude bathing and/or topless female bathing is prohibited.

15-22. No toys, footwear, or personal property may be left by or in front of the pool stairs or pool ladder, as it may present danger.

**SECTION 16**

**CLUBHOUSE**

16-1. The Clubhouse is for the exclusive use of unit owners and their accompanied guests. No parties or organizational gatherings are permitted at the Clubhouse without prior permission from the HOA.

16-2. All persons using the Clubhouse facilities shall conduct themselves in a courteous manner regarding the rights of others.

16-3. No signs of any kind may be erected or posted at The Clubhouse or within the Community without approval by the Property Manger, or the designee of the Property Manager, as approved by the Board of Directors.

16-4. All persons must wear footwear and appropriate covering garments in the Clubhouse.

16-5. Glass containers are prohibited in The Clubhouse, tennis center, pools, fitness center and game room.

16-6. Alcoholic beverages are prohibited, except at specific functions or events approved by the Board of Directors.

16-7. The sale of alcoholic beverages is **prohibited**.

16-8. Residents are responsible for the actions of their guests at all times.

16-9. Wet bathing suits are **prohibited** in the clubhouse, game room, and fitness center.
16-10. If a house is leased, owners relinquish their Clubhouse privileges to the tenants.

16-11. Pets are prohibited in the Clubhouse and recreational facilities, with the exception of Seeing-eye dogs, Therapy dogs and Aid dogs for the Disabled.

16-12. Thermostats in the Clubhouse may be adjusted by Clubhouse staff only.

16-13. Removing furnishings from their original room is prohibited.

16-14. Commercial activity in the Clubhouse, Fitness Room, Exercise Room and Common Property is prohibited except where expressly approved by the Board of Directors or its designated representative.

16-15. No bicycles, roller skates, roller blades, skateboards, or the like are permitted in the Clubhouse.

16-16. Clubhouse will be locked when staff is not present.

SECTION 17
GAME ROOM

17-1. Game Room Hours are 10:00 A.M. to 11:00 P.M.

17-2. All persons that use this room do so at their own risk. The Association, Board of Directors, and Management Company will not be responsible for any injuries or theft sustained during use of the room.

17-3. Game Room use is reserved exclusively for Homeowners, tenants, and their guests. All guests must be accompanied by a Resident.

17-4. Residents, tenants and guests may not enter the Game Room for any purpose before or after official hours. Violators may be subject to arrest for trespassing and/or fined up to $100.00 for each occurrence.

17-5. Residents will be held responsible for the cost to repair or replace any equipment or property damaged by resident or their children or guests.

17-6. Children under the age of 16 are not permitted to use the Billiard/Pool Table without parental supervision.

17-7. No glass containers are permitted.

17-8. No smoking, alcohol, or drugs permitted.

17-9. No pets, skateboards, roller skates, or roller blades are permitted.

17-10. No persons wearing wet clothes from the pool are permitted in Game Room. Shirt and shoes are required.

17-11. No defacing of property or illegal activity permitted.

17-12. No sitting or leaning on pool table.

17-13. When table is occupied and others are waiting, playing time is limited to one (1) hour.

17-14. All equipment must be returned to the proper location when play is finished.

17-15. Report any damaged equipment to Property Manager.
DECLARATION OF COVENANTS, RESTRICTIONS
AND EASEMENTS FOR BLACK DIAMOND

THIS DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR BLACK DIAMOND ("Covenants") is made as of the 30 day of November, 2001, by CENTERLINE HOMES AT BLACK DIAMOND, INC., a Florida corporation, its successors and assigns ("Declarant"), and is joined in by BLACK DIAMOND HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit ("Association").

WHEREAS, Declarant is the owner in fee simple of the real property more particularly described on Exhibit "A" ("Property") attached hereto and made a part thereof which Declarant desires to develop as a community to be known as "Black Diamond"; and

WHEREAS, in order to develop and maintain Black Diamond as a planned residential community and to preserve the values and amenities of such community, it is necessary to declare, commit and subject the Property and the improvements now or hereafter constructed thereon to certain land use covenants, restrictions, reservations, regulations, burdens, liens, and easements; and to delegate and assign to the Association certain powers and duties of ownership, administration, operation, maintenance and enforcement; and

WHEREAS, the Association is joining in these Covenants in order to acknowledge its obligations hereunder; and

NOW, THEREFORE, in consideration of the premises and covenants herein contained, Declarant hereby declares that the Property shall be owned, held, used, transferred, sold, conveyed, demised and occupied subject to the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter set forth, all of which shall run with the Property and any part thereof and which shall be binding upon all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns.

ARTICLE I
DEFINITIONS

A. "Articles" mean the Articles of Incorporation of the Association, a copy of which is attached hereto and made a part hereof as Exhibit "C" and any amendments thereto.

B. "Assessments" mean the assessments for which all Owners are obligated to the Association and include "Individual Lot Assessments," and "Special Assessments" (as such terms are defined in Article V hereof) and any and all other assessments which are levied by the Association in accordance with the Black Diamond Documents.


D. "Black Diamond" means the residential community planned for...
development upon the Property committed to land use under these Covenants and
which is intended to be comprised of four hundred seventy-four (474) single
family Lots and the Common Area Property located within the Property.

E. "Black Diamond Documents" mean in the aggregate these Covenants, the
Flat, the Articles and Bylaws and all of the instruments and documents
referred to or incorporated therein, including but not limited to, amendments
to any of the foregoing, as applicable

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

G. "Bylaws" mean the Bylaws of the Association, a copy of which is
attached hereto and made a part hereof as Exhibit "D" and any amendments
thereto.

H. "Common Area" means such portions of the Property as more
particularly described in Paragraph F of Article II herein, which are to be
maintained by the Association and are intended to be conveyed to the
Association and are more particularly depicted on Exhibit "B" attached hereto
and made a part hereof.

I. "Completed" or complete" means the status of development for which
a certificate of occupancy for a residence constructed on a lot has been
issued by the appropriate governmental agency.

J. "Contributing Completed Lot" means any Lot which has been issued a
certificate of occupancy for a Home constructed thereon by the appropriate
governmental agency.

K. "Contributing Completed Lot Owner" means the Owner of a Contributing
Completed Lot.

L. "Contributing Uncompleted Lot" means any Lot which has not been
issued a certificate of occupancy for a Home constructed thereon by the
appropriate governmental agency.

M. "Contributing Uncompleted Lot Owner" means the Owner of a
Contributing Uncompleted Lot.

N. "County" means Palm Beach County, Florida.

O. "Covenants" means this document and any amendments thereto.

P. "Declarant" means Centerline Homes at Black Diamond, Inc., a Florida
corporation, and any successor or assign thereof, which acquires any Lot from
Declarant for the purpose of development and to which Centerline Homes at
Black Diamond, Inc. specifically assigns all or part of the rights of
Declarant hereunder by an express written assignment recorded in the Public
Records of the County. The written election shall give notice as to which
rights of Declarant are to be exercised. The statement shall be in recordable
form, shall be executed by such Person alone, and shall not require the
execution or joinder of any other party. In any event, any subsequent
Declarant shall not be liable for any default or obligations incurred by any
prior Declarant, except as may be expressly assumed by the subsequent
declarant.

Q. "Director" means a member of the Board.
R. "Home" means a residential dwelling unit Black Diamond intended as an abode for one family constructed on the Property.

S. "Improvement(s)" shall mean all structures or artificially created conditions and appurtenances thereto of every type and kind located upon a Lot, including, but not limited to, any wall, fence, landscaping, planting, topographical feature, mailbox, swimming pool, screen enclosure, driveway, sidewalk, sewer, drain, water area, outside lighting or sign and addition, alteration or modification thereto.

T. "Institutional Mortgagee" means any lending institution owning a first mortgage covering a Home or Lot, including any of the following institutions:

(i) Any federal or state savings and loan or a building and loan association, or commercial bank or bank or real estate investment trust, or mortgage banking company or any subsidiary thereof; or

(ii) Any "secondary mortgage market institution," including the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institution as the Board shall hereafter approve in writing; or

(iii) Any pension or profit-sharing funds qualified under the Internal Revenue Code; or

(iv) Any and all investing or lending institutions, or the successors and assigns of such lenders ("lenders"), which have loaned money to Declarant and which hold a mortgage upon any portion of the Property securing such loans; or

(v) Any such other institutional lenders as the Board shall hereafter approve in writing as an Institutional Mortgagee which have acquired a mortgage upon any portion of the Property; or

(vi) Declarant, if Declarant holds a mortgage on any portion of the Property, and the transferee of any mortgage encumbering the Property which was originally held by Declarant; or

(vii) Any life insurance company; or

(viii) The Veterans Administration or the Federal Housing Administration or the Department of Housing and Urban Development.

U. "Interest" means the maximum nonusurious interest rate allowed by law on the subject debt or obligation, and if no such rate is designated by law, then eighteen percent (18%) per annum.

V. "Lake Lot" shall mean a Lot which abuts a body of water, such as a lake, canal, pond, etc. ("Lake") as shown on the Plat.

W. "Legal Fees" mean reasonable fees for attorney and paralegal services incurred in connection with: (i) negotiation and preparation for litigation, whether or not an action is actually commenced, through and including all trial and appellate levels and postjudgment proceedings; (ii) collection of past due Assessments including, but not limited to, preparation of notices and liens; and (iii) court costs through and including all trial and
appellate levels and postjudgment proceedings.

X. "Lot" means a portion of the Property as shown on the Plat, upon which a Home is permitted to be erected.

Y. "Member" means a member of the Association.

Z. "Operating Expenses" mean the expenses for which Owners are liable to the Association as described in these Covenants and any other Black Diamond Documents and include, but are not limited to, the costs and expenses incurred by the Association in administering, operating, reconstructing, maintaining, financing or repairing the Common Area Property or any portion thereof and improvements thereon and all costs and expenses incurred by the Association in carrying out its powers and duties hereunder or under any other Black Diamond Documents, including, but not limited to, the cost of any reserves and any other expenses designated to be Operating Expenses by the Board.

AA. "Owner" means the owner of the fee simple title to a Lot and includes Declarant for so long as Declarant is the owner of the fee simple title to a Lot but excluding those having such interest merely as security for the performance of any obligation and excluding purchasers under executory contracts of sale of a Lot.

BB. "Property" means the real property more particularly described on Exhibit "A" attached hereto and made a part hereof.

CC. "Uncompleted" means the status of development where a certificate of occupancy for a residence constructed on a Lot has not been issued by the appropriate governmental agency.

ARTICLE II
PLAN OF DEVELOPMENT
RECREATION PROPERTY; RULES AND REGULATIONS

A. Black Diamond

Declarant's general plan of development of Black Diamond contemplates the construction of residential Homes and Common Area Property thereon, and further, that various improvements will be constructed on the Lots and other portions of the Property which will enhance Black Diamond and benefit the Owners of all Lots. Declarant's general plan of development further contemplates that such residential Homes shall be whatever types of structures Declarant may choose which are in conformance with applicable law. Declarant's general plan of development of Black Diamond may also include whatever facilities and amenities Declarant considers in its sole judgment to be appropriate to the community contemplated by the plan.

B. Withdrawal

Declarant reserves the right to amend these Covenants at any time, without prior notice and without the consent of any Person for the purpose of removing or adding certain portions of the Property then owned by Declarant from the provisions of these Covenants to the extent such real property was included originally in error or as a result of changes in the plans for the Property desired by Declarant.
C. Model Row

Declarant hereby reserves the right to construct a "model row(s)" in Black Diamond. The "model row(s)" may contain models for Black Diamond and other communities located outside Black Diamond, as Declarant and/or any of Declarant's affiliates as developers of other communities in or outside Black Diamond may so determine, in their sole discretion. In the event that Declarant and/or any of Declarant's affiliates constructs a "model row(s)" in Black Diamond, such "model row(s)" may be used for such period of time that Declarant and/or any of Declarant's affiliates constructing communities in or outside Black Diamond determines to be necessary. By their acceptance of a deed for a Lot in Black Diamond each Owner agrees and acknowledges that Declarant and/or any of Declarant's affiliates have a right to construct a "model row(s)" and that Declarant and/or any of its affiliates have an easement over the Black Diamond community to use and show the models to prospective purchasers in or outside Black Diamond as long as such "model row(s)" exists.

D. Common Area Property

1. The Common Area Property shall consist of the property described on Exhibit "B" hereto. The Common Area Property shall be used for an entryway feature and an entry access system as well as other proper purposes by the Association in accordance with the Black Diamond Documents. Declarant reserves the right in its sole discretion to construct additional improvements upon the Common Area Property as hereinafter set forth.

2. Such portions of the Common Area Property upon which Declarant has constructed, or hereafter constructs, improvements shall be kept and maintained for use in a manner consistent with the nature of such improvements located, or to be located thereon. Declarant reserves the right, but shall not be obligated to construct additional features or facilities upon the Common Area Property. The decision as to whether to construct additional features or facilities and the erection thereof shall be in the sole discretion of Declarant. Any additional features or facilities must be approved for design as contemplated by the Master Declaration. The Common Area Property will be conveyed by Declarant to the Association no later than the "Turnover Date" (as defined in the Articles). In the event that Declarant encumbers the Common Area Property with a mortgage such mortgagee shall subordinate its lien on the Common Area Property to these Covenants. Such mortgagee shall release the Common Area Property from its mortgage simultaneously with the conveyance of the Common Area Property to the Association. The Association is obligated to accept at any time any and all conveyances to it by Declarant of a fee simple title, easements or leases to all or portions of the Common Area Property.

E. Surface Water Management System

1. The Association hereby accepts responsibility for the operation and maintenance of the surface water management system described in the South Florida Water Management District application or permit number(s) attached hereto as Exhibit "B".

2. Although the surface water management system is owned by the Association, the water levels in the project's lakes may decline significantly at certain times of the year as a result of well field pumpage which is beyond the Association's control.
3. The Association is responsible for assessing and collecting fees for the operation, maintenance, and if necessary, replacement of the surface water management system. Fees shall be assessed and collected through the procedure set forth in Article IV of these Covenants.

4. Any amendment proposed to these documents which would affect the surface water management systems, conservation areas or water management portions of common areas shall be submitted to the South Florida Water Management District for review prior to finalization of the amendment. The South Florida Water Management District shall determine if the proposed amendment will require a modification of the environmental resource or surface water management permit. If a permit modification is necessary, the modification must be approved by the South Florida Water Management District prior to the amendment of this document.

5. The Environmental Resource or Surface Water Management Permit is made a part of this document and attached hereto as Exhibit "E". Copies of the permit and any future permit actions of the South Florida Water management District shall be maintained by the Registered Agent of the Association for the benefit of the Association. Upon assumption of control of the Association by its Members other than the Declarant, the Association will assume responsibility to complete the mitigation monitoring per the Environmental Resource Permit.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION;
BOARD; DURATION OF THE ASSOCIATION

A. Membership and Voting Rights

Membership in the Association shall be established and terminated as set forth in the Articles. Each Member shall be entitled to the benefit of, and be subject to, the provisions of the Black Diamond Documents. The voting rights of the Members shall be as set forth in the Articles.

B. Board

The Association shall be governed by the Board which shall be appointed, designated or elected, as the case may be, as set forth in the Articles.

C. Duration of Association

The duration of the Association shall be perpetual, as set forth in the Articles.

ARTICLE IV
COVENANT TO PAY ASSESSMENTS FOR OPERATING EXPENSES;
ESTABLISHMENT OF LIENS; COLLECTION OF ASSESSMENTS; COLLECTION BY DECLARANT;
CERTAIN RIGHTS OF DECLARANT AND INSTITUTIONAL MORTGAGEES

A. Affirmative Covenant to Pay Operating Expenses

In order to: (i) fulfill the terms, provisions, covenants and conditions contained in the Black Diamond Documents; and (ii) maintain, operate and preserve the Common Area Property for the use, safety, welfare and benefit of the Members and their family members, guests, invitees and lessees, there is hereby imposed upon each Contributing Completed Lot and Contributing
Uncompleted Lot (collectively, "Contributing Lot") and Contributing Completed Lot Owner and Contributing Uncompleted Lot Owner (collectively "Contributing Lot Owner"); the affirmative covenant and obligation to pay to the Association (in the manner herein set forth) all Assessments, including, but not limited to, the Individual Lot Assessments and Special Assessments. Each Owner by acceptance of a deed or other instrument of conveyance conveying a Lot within the Property, whether or not it shall be so expressed in such deed or instrument, shall be obligated and agrees to pay to the Association all Assessments for Operating Expenses in accordance with the provisions of the Black Diamond Documents.

B. Establishment of Liens

Any and all Assessments made by the Association in accordance with the provisions of the Black Diamond Documents with Interest thereon and costs of collection, including, but not limited to, Legal Fees, are hereby declared to be a charge and continuing lien upon each Contributing Lot against which each such Assessment is made. Each Assessment against a Contributing Lot, together with Interest thereon, including, but not limited to, Legal Fees, shall be the personal obligation of the Contributing Lot Owner of such Contributing Lot. Said lien shall be effective only from and after the time of the recordation amongst the Public Records of the County of a written, acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by that lien, the party making payment shall be entitled to a satisfaction of the statement of lien in recordable form. Notwithstanding anything to the contrary herein contained, where an Institutional Mortgagee of record obtains title to a Contributing Lot as a result of foreclosure of its first mortgage or deed in lieu of foreclosure, such acquirer of title, its successors or assigns, shall not be liable for the share of Assessments pertaining to such Contributing Lot or chargeable to the former Contributing Lot Owner thereof which became due prior to the acquisition of title as a result of the foreclosure or deed in lieu thereof, unless the Assessment against the Contributing Lot in question is secured by a claim of lien for Assessments that is recorded prior to the recordation of the mortgage which was foreclosed or with respect to which a deed in lieu of foreclosure was given.

C. Collection of Assessments

In the event any Contributing Lot Owner shall fail to pay any Assessment or installment thereof, charged to such Contributing Lot Owner within fifteen (15) days after the same becomes due, then the Association, through its Board, shall have any and all of the following remedies to the extent permitted by law, which remedies are cumulative and which remedies are not in lieu of, but are in addition to, all other remedies available to the Association:

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

2. To advance on behalf of the Contributing Lot Owner(s) in default funds to accomplish the needs of the Association up to and including the full amount for which such Contributing Lot Owner(s) is liable to the Association and the amount or amounts of monies so advanced, together with Interest and all costs of collection thereof, including, but not limited to, Legal Fees,
may thereupon be collected by the Association and such advance by the Association shall not waive the default.

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

4. To file an action at law to collect said Assessment plus Interest and Legal Fees, without waiving any lien rights or rights of foreclosure in the Association.

5. To charge Interest on such Assessment from the date it becomes due, as well as a late charge of Twenty-Five Dollars ($25.00) by the Association to defray additional collection costs.

D. Collection by Declarant

In the event for any reason the Association shall fail to collect the Assessments, then, in that event, Declarant shall at all times have the right (but not the obligation): (i) to advance such sums as the Association could have advanced as set forth above; and (ii) to collect such Assessments and, if applicable, any such sums advanced by Declarant; using the remedies available to the Association against a Contributing Lot Owner as set forth in Paragraph IV.C, which remedies (including, but not limited to, recovery of Legal Fees) are hereby declared to be available to Declarant.

E. Rights of Declarant and Institutional Mortgagees to Pay Assessments and Receive Reimbursement

Declarant and any Institutional Mortgagees shall have the right, but not the obligation, jointly or singly, and at their sole option, to pay any of the Assessments which are in default and which may or have become a charge against any Contributing Lots. Further, Declarant and any Institutional Mortgagees shall have the right, but not the obligation, jointly or singly, and, at their sole option, to pay insurance premiums or fidelity bond premiums or other required items of Operating Expenses on behalf of the Association where the same are overdue and where lapses in policies or services may occur. Declarant and any Institutional Mortgagees paying overdue Operating Expenses on behalf of the Association will be entitled to immediate reimbursement from the Association plus Interest and any costs of collection including, but not limited to, Legal Fees, and the Association shall execute an instrument in recordable form to this effect and deliver the original of such instrument to each Institutional Mortgagee who is so entitled to reimbursement and to Declarant if Declarant is entitled to reimbursement.

ARTICLE V

METHOD OF DETERMINING ASSESSMENTS AND ALLOCATION OF ASSESSMENTS

A. Determining Amount of Assessments

The total anticipated Operating Expenses for each calendar year shall be set forth in the budget ("Budget") prepared by the Board as required by the Black Diamond Documents and Florida law. The Owner of each Contributing Completed Lot is liable for a one four hundred seventy-fourth (1/474th) share
of the Operating Expenses (the "Individual Lot Assessment"). Notwithstanding anything in the Black Diamond Documents to the contrary, any assessment for legal expenses incurred by the Association to begin legal proceedings against Declarant shall be deemed an Operating Expense which is properly the subject of a Special Assessment and not the subject of a regular Individual Lot Assessment.

B. Assessment Payments

The Individual Lot Assessments shall be payable monthly, in advance, on the first day of each month. The Individual Lot Assessments, and the monthly installments thereof, as well as all Assessments provided for herein and all installments thereof may be adjusted from time to time by the Board to reflect changes in the number and status of Contributing Completed Lots and Contributing Uncompleted Lots (thus apportioning all such Assessments and installments thereof among all Contributing Lots as they exist at the time such installment is due) or changes in the Budget or in the event that the Board determines that the Assessments or any installment thereof is either less than or more than the amount actually required. When a Contributing Completed Lot not in existence when the Assessment was determined ("New Improved Lot") comes into existence during a period with respect to which an Assessment or installment thereof has already been assessed, the New Improved Lot shall be deemed assessed the amount of such Assessment or installment thereof which was assessed against Contributing Completed Lots in existence at the time of such Assessment, prorated from the date the New Improved Lot comes into existence through the end of the period in question. If the payment of such Assessment or installment thereof was due at the time the New Improved Lot came into existence or prior thereto, said prorated amount thereof shall be immediately due and payable.

C. Special Assessments

"Special Assessments" include, in addition to other Assessments designated as Special Assessments in the Black Diamond Documents and whether or not for a cost or expense which is included within the definition of "Operating Expenses," those Assessments which are levied for capital improvements which include the costs (whether in whole or in part) of constructing or acquiring improvements for, or on, the Recreation Property or the cost (whether in whole or in part) of reconstructing or replacing such improvements. It is recognized and declared that Special Assessments shall be in addition to, and are not part of, any "Individual Lot Assessment." Any such Special Assessments assessed against Contributing Lots and Contributing Lot Owners thereof shall be paid by such Contributing Lot Owners in addition to any other assessments. Special Assessments shall be assessed in the same manner as the Individual Lot Assessment. Special Assessments shall be paid in such installments or in a lump sum as the Board shall, from time to time, determine. Notwithstanding the foregoing, the levying of any Special Assessment after the Turnover Date shall require the affirmative assent of at least a majority of all Contributing Lot Owners represented in person or by proxy at a meeting called and held in accordance with the Bylaws. Prior to the Turnover Date, a Declarant controlled Board may make a Special Assessment without the consent of the Contributing Lot Owners.

D. Liability of Contributing Owners for Individual Assessments

By the acceptance of a deed or other instrument of conveyance of a Lot in the Property, each owner thereof acknowledges that each Contributing Lot
and the Contributing Lot Owners thereof are jointly and severally liable for their own Individual Lot Assessment and their applicable portion of any Special Assessments as well as for all Assessments for which they are liable as provided for herein. Such Contributing Lot Owners further recognize and covenant that they are jointly and severally liable with the Contributing Lot Owners of all Contributing Lots for the Operating Expenses (subject to any specific limitations provided for herein such as, but not limited to, the limitation with respect to matters of Special Assessments and the limitations on the liability of Institutional Mortgagees and their successors and assigns). Accordingly, subject to such specific limitations, it is recognized and agreed by each Owner who is or becomes a Contributing Lot Owner, for himself and his heirs, executors, successors and assigns, that in the event Contributing Lot Owners fail or refuse to pay their Individual Lot Assessment or any portion thereof or their respective portions of any Special Assessments or any other Assessments, then the other Contributing Lot Owners may be responsible for increased Individual Lot Assessments or Special Assessment or other Assessments due to the nonpayment by such other Contributing Lot Owners, and such increased Individual Lot Assessment or Special Assessment or other Assessment can and may be enforced by the Association and Declarant in the same manner as all other Assessments hereunder as provided in the Black Diamond Documents.

E. Guaranteed Assessment During Guarantee Period

Declarant covenants and agrees with the Association and the Contributing Lot Owners that for the period commencing with the date of recordation of these Recreational Covenants and ending upon the sooner to occur of the following: (i) the Turnover Date; or (ii) December 31, 2010 ("Guarantee Period") , that Declarant shall be excused from payment of its share of the Operating Expenses and Assessments related to its Lots and, in turn, that the Individual Lot Assessment will not exceed the dollar amount set forth in the budget of the Association for the monthly assessment ("Guaranteed Assessment") and that Declarant will pay the difference, if any, between (a) the Operating Expenses (other than those Operating Expenses which are properly the subject of a Special Assessment) incurred by the Association during the Guarantee Period, and (b) the amounts assessed as Guaranteed Assessments against a Contributing Lot and the "Working Fund Contributions" set forth in Paragraph V, Section G which will be used at the Board’s sole discretion to defray initial start up expenses. The budget is based on a full build out of Black Diamond. Thus, during the Guarantee Period, Contributing Lot Owners shall not be obligated to pay Assessments other than the Guaranteed Assessment and Special Assessments and their respective Working Fund Contributions. Declarant hereby reserves the right to extend the Guarantee Period to a date ending no later than the Turnover Date at Declarant's sole election by providing written notice to the Association of such election at least thirty (30) days prior to the expiration of a Guarantee Period.

After the Guarantee Period terminates, each Contributing Lot Owner shall be obligated to pay Assessments as set forth in Paragraph V.A hereof.

F. Declarant’s Guaranteed Assessment Not the Obligation of Institutional Mortgagees

Notwithstanding anything to the contrary herein contained, it is specifically understood and declared and each Contributing Lot Owner by the acceptance of a deed or other legal instrument of conveyance of a Lot within
the Property shall be deemed to have acknowledged and agreed that no Institutional Mortgagee (other than Declarant) or any successor or assigns of such Institutional Mortgagee, or any person acquiring title to any part of the Property by reason of the foreclosure or otherwise shall be deemed to have made, assumed or otherwise undertaken any covenants or obligations of Declarant: (i) to guarantee the level and/or duration of any Guaranteed Assessments provided for under any of the Black Diamond Documents; or (ii) to pay the difference between the actual Operating Expenses and the Guaranteed Assessments, if any, assessed against Contributing Lots and the Contributing Lot Owners thereof during the Guarantee Period as may be provided for in any of the Black Diamond Documents; provided, however, that an Institutional Mortgagee, at its option, determines to continue the obligation of Declarant to guarantee the amount of the Assessments as herein provided. Additionally, a successor Declarant shall not guarantee the level and/or duration of any Guaranteed Assessments provided for under any of the Black Diamond Documents or to pay the difference between the actual Operating Expenses and the Guaranteed Assessments, if any, assessed against Contributing Lots and the Contributing Lot Owners thereof during the Guarantee Period unless such obligation is assumed by such successor Declarant.

G. Working Fund Contribution

Each Owner who purchases a Lot with a Home thereon from Declarant shall pay to the Association at the time legal title is conveyed to such Owner a "Working Fund Contribution." The Working Fund Contribution shall be an amount equal to one three (3) months share of the annual Operating Expenses applicable to such Lot pursuant to the initial Budget (which may be different from the Budget in effect at the time of closing). The purpose of the Working Fund Contribution is to ensure that the Association will have cash available for initial start up expenses, to meet unforeseen expenditures or to acquire additional equipment and services deemed necessary or desirable by the Board. Working Fund Contributions are not advance payments of Individual Lot Assessments and shall have no effect on future Individual Lot Assessments. Such funds shall be expended at the sole discretion of the Board.

ARTICLE VI
OPERATING EXPENSES; CERTAIN ASSESSMENT CLASSIFICATIONS

The following expenses of the Common Area Property and of the Association are hereby declared to be Operating Expenses which the Association is obligated to assess and collect and which the Contributing Lot Owners are obligated to pay as provided herein or as may be otherwise provided in the Black Diamond Documents:

(1) any and all taxes and tax liens which may be assessed or levied at any and all times against the Common Area Property or against any and all personal property improvements thereon; (2) all charges levied for utilities providing services for the Common Area Property such as water, gas, electricity, telephone, sewer and any other type of service charge which is not separately billed to a Member; (3) the premiums on policies of insurance, including but not limited to, liability, hazard and casualty insurance for the Common Area Property; (4) any sums necessary including reserves, for the maintenance, repair and replacement of the Common Area Property and all improvements located thereon; (5) any sums necessary for the maintenance, repair and replacement of the entry access system; (6) administrative and operational expenses; and (7) any and all expenses deemed to be Operating

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Expenses by the Association. Reserves for replacements are specifically excluded from Operating Expenses. The Board may, if it so determines, include reserves in the Association's annual budget; however, reserves are not part of Operating Expenses and are therefore payable by only Contributing Completed Lot Owners.

The Operating Expenses with respect to the Common Area Property is payable by each Contributing Lot Owner to the Association notwithstanding the fact that Declarant may not have yet conveyed title to the Common Area Property to the Association.

ARTICLE VII
INSURANCE AND CONDEMNATION

The Association shall purchase and maintain the following insurance coverage subject to the following provisions, and the cost of the premiums therefor shall be a part of the Operating Expenses:

A. Casualty Insurance

Property and casualty insurance in an amount equal to the then full replacement cost, exclusive of land, foundation, excavation and other items normally excluded from such coverage, of all improvements and personal property which is owned by the Association and now or hereafter located upon the Common Area Property, which insurance shall afford protection against such risks, if any, as shall customarily be covered with respect to areas similar to the Common Area Property in developments similar to Black Diamond in construction, location and use.

B. Public Liability Insurance

A comprehensive policy of public liability insurance naming the Association and, until Declarant's ownership of Lots within the Property ceases, Declarant as named insured thereof insuring against any and all claims or demands made by any person or persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Common Area Property and any improvements located thereon, and for any other risks insured against by such policies with limits of not less than One Million Dollars ($1,000,000) for damages incurred or claimed by any one person for any one occurrence; not less than Three Million Dollars ($3,000,000) for damages incurred or claimed for any one occurrence; and for not less than Fifty Thousand Dollars ($50,000) property damage per occurrence with no separate limits stated for the number of claims.

C. Fidelity Coverage

Adequate fidelity coverage to protect against dishonest acts of the officers and employees of the Association and the Directors and all other who handle and are responsible for handling funds of the Association shall be maintained in the form of fidelity bonds, which requirements shall be reasonably determined by the Board.

D. Other Insurance

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

E. Cancellation or Modification

All insurance policies purchased by the Association shall provide that they may not be canceled (including for nonpayment of premiums) or substantially modified without at least ten (10) days prior written notice to the Association and to each first mortgage holder named in the mortgage clause.

F. Condemnation

In the event the Association receives any award or payment arising from the taking of any Common Area Property or any part thereof as a result of the exercise of the right of condemnation or eminent domain, the net proceeds thereof shall first be applied to the restoration of such taken areas and improvements thereon to the extent deemed advisable by the Association and approved by Owners owning at least two-thirds (2/3) of the Lots, and the remaining balance thereof, if any, shall then be distributed pro rata to Owners and mortgagees of Lots as their respective interests may appear.

ARTICLE VIII
EASEMENTS

A. Recognition of Existing Easements

Each Owner, by acceptance of a deed or other legal instrument of conveyance, recognizes and consents to the easements reserved and/or granted with respect to the Property under these Covenants.

B. Grant and Reservation of Easements

Declarant hereby reserves and grants the following perpetual easements over and across the Property as covenants running with the Property and for the benefit of the Owners, the Association and Declarant as hereinafter specified for the following purposes:

1. Utility and Services Easements

An easement or easements to provide for installation, service, repair and maintenance of the equipment required to provide utility services to the Common Area Property including (but not limited to) power, electric transmission, light, telephone, television antenna, cable television, gas, water, irrigation, sewer and drainage, and governmental services including reasonable rights of access for persons and equipment necessary for such purpose for the benefit of the appropriate utility companies, agencies, franchises or governmental agencies.

2. Easement for Encroachment

An easement for encroachment in favor of an owner in the event any portion of his Home or appurtenant improvements such as a fence now or hereafter encroaches upon any of the Lots as a result of minor inaccuracies in survey, construction or due to settlement or movement. Such encroaching
improvements installed by Declarant shall remain undisturbed for as long as the encroachment exists. Any easement for encroachment shall include an easement for the maintenance and use of the encroaching improvements in favor of the Owner thereof or his designees.

3. Easement to Enter Upon Lots

Any easement or easements for ingress and egress in favor of the Association, including the Board or the designee of the Board, to enter upon the Lots for the purposes of fulfilling its duties and responsibilities of ownership, maintenance and/or repair in accordance with the Black Diamond Documents, including the making of such repairs, maintenance or reconstruction as are necessary for the Common Area Property. Such entry shall not be deemed a trespass.

4. Easement Over Recreation Property

Any easement of enjoyment in favor of all Owners, their family members, guests, invitees and lessees in and to the Common Area Property which shall be appurtenant to and shall pass with title to every lot in the Property, subject to the following:

(a) the right of the Association to suspend the voting rights of any Owner and rights to use the Common Area Property of any Owner of the Property for any period during which assessments against his Lot(s) or lot(s) remain unpaid for more than thirty (30) days;

(b) the right of the Association to grant permits, licenses and easements over the Common Area Property for utilities and other purposes reasonably necessary or useful for the proper maintenance or operating of the Property; and

(c) all provisions set forth in the Black Diamond Documents.

5. Conservation Easement

Certain easements may be reserved and/or granted with respect to the Property for drainage, flood control, water conservation, erosion control, soil conservation or fish and wildlife preservation. With respect to such conservation easements, the following activities are prohibited:

(a.) Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

(b.) Dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;

(c.) Removal or destruction of trees, shrubs, or other vegetation, except for the removal of exotic vegetation in accordance with a South Florida Water Management District approved maintenance plan;

(d.) Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substance in such manner as to affect the surface;

(e.) Surface use except for purposes that permit the land or water area to remain in its natural condition:
(f.) Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation including, but not limited to, ditching diking and fencing;

(g.) Acts or uses detrimental to such aforementioned retention of land or water areas;

(h.) Acts or uses within Declarant's regulatory jurisdiction which are detrimental to the preservation of any features or aspects of the Property having historical or archaeological significance.

C. Assignments

The easements reserved hereunder may be assigned by Declarant or the Association in whole or in part to any city, County or state government or agency thereof, or any duly licensed or franchised public utility, or any other designee of Declarant. The owners hereby authorize Declarant and/or the Association to execute, on their behalf and without further authorization, such grants of easement or other instruments as may from time to time be necessary to grant easements over and upon the Property or portions thereof in accordance with the provisions of these Covenants.

Notwithstanding anything in these Covenants to the contrary, all easement rights reserved or granted to Declarant shall terminate upon Declarant no longer holding any Lots or Homes, or interest in such on the Property, for sale in the ordinary course of business or holding a mortgage on a Lot or Home on the Property. In addition, the easement rights granted or reserved by Declarant hereunder are not to be construed as creating an affirmative obligation to act on the part of Declarant.

D. Utilities and Related Services

Declarant, so long as Declarant is entitled to appoint any director of the Association, reserves and shall have the right to enter into an agreement with one or more companies (a "Service Provider") to install, maintain, and provide cable television, home monitoring, internet, telephone, electricity, and/or other utility, communication, entertainment, or other similar services to the Lots within the Property, on such terms and conditions as Declarant may reasonably desire, provided however that the charges for services provided by any such Service Provider shall not be unreasonable compared to charges of other companies providing similar services in the county in which the Property is located. Any such agreement may grant the Service Provider appropriate easements or the right to use portions of the Common Area, as may be necessary or convenient in connection with the providing of such services. Any Service Provider may be a subsidiary or affiliate of Declarant or a company having the same or similar ownership or control as Declarant. Any such agreement may require each Owner to subscribe for, at a minimum, basic services offered by the Service Provider, which may include but is not limited to basic cable television, home monitoring, and high speed internet service, and to pay such services as an Operating Expense, either directly to the Service Provider, or to the Association, as may be provided in the agreement. Any agreement may also give the Owners the option to subscribe to additional services in addition to the basic services for an additional fee to be determined by the Service Provider providing such services from time to time. Likewise, the Association will have the right to enter into an agreement pursuant to which all Owners will be provided cable television,
service and/or home security monitoring services as an Operating Expense. The Association will further have the right to approve one or more security monitoring companies which are authorized to provide such service to the Lots, and in that event, the Association may refuse entry into the Property by any representative of any security monitoring companies other than approved company. If home security monitoring services are provided under contract with the Association, or if the Association approves any monitoring company to provide such services to the Lots, the Association will have no liability of any kind or nature due to the failure of the company providing such service to detect or react to fire, unauthorized entry, or other security problem in any Lot.

E. Improvements on Easements.

To the extent that improvements on a Lot, including but not limited to brick pavers, fall within an easement/right-of-way, are damaged as a result of the legitimate use of such easement/right of way, the Owner of such Lot is responsible for repairing any such damage at the Owner’s sole cost, and each Owner hereby indemnifies and holds harmless the Village of Wellington, Declarant and the Association from any claims as a result of such damage.

ARTICLE IX
MAINTENANCE

For purposes of this Article IX, unless the context otherwise requires, Owners shall also include the family members, invitees, guests, licensees and lessees of any owner, and any other permitted occupants of a Home. All of the Property shall be subject to the terms hereof:

A. Common Area Property

The responsibility of the Association is to repair, maintain and replace any and all improvements including, but not limited to, the sidewalk and facilities located on the Common Area Property commencing with the completion of same by Declarant and whether or not same are owned by the Association. The improvements shall be maintained in the same condition as originally constructed by Declarant. In the event of any damage or destruction to the Common Area Property or to the improvements and facilities located thereon by fire, storms, acts of God, acts of third parties or other calamity, the Association shall be required to rebuild such improvements and facilities as quickly as practicable.

B. By the Owners

1. The Owner of each Lot must keep and maintain the Lot and the Improvements thereon, including equipment and appurtenances, in good order, condition and repair, and must perform promptly all maintenance and repair work within his Home which, if omitted, would adversely affect Black Diamond, the other Lot Owners, the Association and its Members. The Owner of each Lot shall be responsible for any damages caused by a failure to so maintain such Lot and Home. The Owners, responsibility for maintenance, repair and replacement shall include, but not be limited to, all of the physical structure constructed in, upon or below the Lot, and physical items attached or connected to such structure that run beyond the boundary line of the Lot which exclusively service or benefit the Lot and Home. The painting, caulking and maintenance of the exterior surface of the walls, doors, windows and roof of the physical structure of the Home shall be done by the Owner, and, the
exterior surface of such walls, doors, windows and roof shall at all times be
maintained in a good and serviceable condition with no damage or other defect
therein by the Owner. The Owner of a Lot further agrees to pay for all
utilities, such as telephone, cable television, water, sewer, sanitation,
electric, etc., that may be separately billed or charged to each Home. The
Association shall be responsible for the costs of the sprinkler system
servicing the Lot, including, but not limited to, the costs of operation and
maintenance, and the cost of repair or replacement to all or any part
thereof. The Owner of each Lot shall be responsible for insect and pest
control within the Home.

2. The Association shall maintain and care for any lawns which are
enclosed within the Lot. "Maintenance and care" within the meaning of this
Paragraph, shall include irrigating, mowing, edging, fertilizing, pruning
trees and hedges, spraying of lawns, and replacement of sod. All lawns shall
be maintained free from unsightly bald spots or dead grass and shall be
uniform in texture and appearance with surrounding lawns in Black Diamond.

3. In addition, and notwithstanding anything contained herein to the
contrary, and subject to the rights and obligations of the South Florida
Water Management District to maintain the Lakes as aforesaid for water
retention, drainage, irrigation and water management purposes and the right
of the Association and/or the South Florida Water Management District to
adopt rules from time to time with respect to the use of the Lakes for such
purposes, the Association shall maintain and care for all land between each
Lot and the shoreline of the Lake, as such shoreline may exist from time to
time. No landscaping may encroach onto any lake maintenance easement or
drainage easement.

4. If a Home is damaged by fire or other casualty, its Owner shall
properly and promptly restore it to at least as good a condition as it was
before the casualty occurred. Any such work shall be in accordance with the
original plans and specifications of the Home unless otherwise authorized by
the Board and shall be otherwise subject to all provisions of contained in
these Covenants.

5. Each Owner shall keep his Home insured in an amount not less than its
full insurable value against loss or damage by fire or other hazards.
Evidence of such coverage shall be furnished to the Association promptly upon
the Board's request.

6. If an owner fails to comply with the foregoing provisions of this
Article IX, the Association may proceed in court to enjoin compliance.
Further, if the failure to comply relates to the owner's obligations to
maintain insurance, the Association shall be entitled, although not
obligated, to obtain the required coverage itself and to levy on the
offending Owner a Special Assessment equal to the cost of premiums, and any
such Special Assessment shall constitute a lien upon the applicable Lot and
Home with the same force and effect as a lien for Operating Expenses.

7. If a failure to comply with the provisions of this Article IX,
relates to the Owner's obligation to maintain the Home, then, in addition to
the exercise of all other remedies, the Association shall have the right to
secure those services necessary to correct such failure to comply and to
impose the cost of such corrective action upon the noncomplying owner,
including attorneys' fees.
ARTICLE X
USE RESTRICTIONS

For purposes of this Article X, unless the context otherwise requires, Owner shall also include the family members, invitees, guests, licensees, lessees and sublessees of any Owner, and any other permitted occupants of a Home. All the Property, shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant in Paragraph 1 hereof:

A. Nuisances

No obnoxious or offensive activity shall be carried on about the Lots or in or about any improvements, Homes, or on any portion of Black Diamond nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any Owner. No use or practice shall be allowed in or around the Homes which is a source of annoyance to Owners or occupants of Homes or which interferes with the peaceful possession or proper use of the Homes or the surrounding areas. No loud noises or noxious odors shall be permitted in any improvements, Homes or Lots. Without limiting the generality of any of the foregoing provisions, no horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment of large power tools, unlicensed off-road motor vehicles or any items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any Lot, or exposed to the view of other Owners without the prior written approval of the Board.

B. Parking and Vehicular Restrictions

Parking upon the Property shall be restricted to the parking spaces built for such purposes and the drive and garage located upon each Lot. No overnight parking on the streets is permitted. No parking is allowed on any grass areas including swales. No Owner shall keep any vehicle on the Lots which is deemed to be a nuisance by the Board. No Owner shall conduct repairs (except in an emergency or except within the garage of the Home with the garage door closed) or restorations of any motor vehicle, boat, trailer, or other vehicle upon the Lots.

C. Trash and Other Materials

No rubbish, trash, garbage or other waste material shall be kept or permitted on the Lots except in sanitary containers located in appropriate areas, and no odor shall be permitted to arise therefrom so as to render Black Diamond unsanitary, unsightly, offensive or detrimental to Owners or to any other property in the vicinity thereof or to its occupants. Trash containers must be stored in the garage or other location not visible from the street or adjacent Lots. Containers must be placed "curbside" not more than twelve (12) hours before pickup and removed not more than twelve (12) hours after pickup.

D. No Improper Uses

No improper, offensive, hazardous or unlawful use shall be made of any Home nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to any person using any portion of the
Property. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any Home shall be corrected by, and at the sole expense of the Home's Owner.

E. Leases

1. No portion of a Home (other than an entire Home) may be rented. All leases shall be for no less than one year and a copy of the lease shall be provided to the Association. All leases shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of these Covenants, the Articles, Bylaws, of applicable rules and regulations, or of any other agreement, document or instrument governing the Lots or Homes. The Owner of a leased Home shall be jointly and severally liable with his tenant to the Association to pay any claim for injury or damage to property caused by the negligence of the tenant. Every lease shall be subordinated to any lien filed by the Association whether before or after such lease was entered into.

2. With respect to any tenant or any person present in any Home or any portion of the Property, other than an Owner and the members of his immediate family permanently residing with him in the Home, if such person shall materially violate any provision of these Covenants, the Articles, or the Bylaws, or shall create a nuisance or an unreasonable and continuous source of annoyance to the residents of the Property, or shall willfully damage or destroy any Common Areas or personal property of the Association, then upon written notice by the Association, such person shall be required to immediately leave the Property and, if such person does not do so, the Association is authorized to commence an action to evict such tenant or compel the person to leave the Property and, where necessary, to enjoin such person from returning. The expense of any such action, including attorneys' fees, may be assessed against the applicable Owner, and the Association may collect such Assessment and have a lien for same as elsewhere provided. The foregoing shall be in addition to any other remedy of the Association.

F. Temporary Buildings, Etc.

No tents, trailers, shacks or other temporary buildings or structures shall be constructed or otherwise placed upon the Property and, if submitted to the terms and provisions of the Black Diamond Documents, except in connection with construction, development, leasing or sales activities permitted by the Modifications Committee or New Construction Committee, as applicable, in accordance with the Master Declaration. No temporary structure may be used as a Home.

G. Garages.

No Owner may convert into living space the interior of any garage located within a Home. All garages must allow for the parking of one average sized automobile at all times.

H. Animals and Pets

Only common domesticated household pets may be kept on any Lot or in a Home, not to exceed a total of two (2) per Home but in no event for the purpose of breeding or for any commercial purposes whatsoever. No other
animals, livestock, reptiles or poultry of any kind shall be kept, raised, bred or maintained on any portion of the Property. Permitted pets shall only be kept subject to and in accordance with such rules and regulations as shall be promulgated from time to time by the Board. Under no circumstances may a pit bull dog or similar breed be permitted on the Property. Any pet must be carried or kept on a leash when outside of a Home or fenced-in area. No pet shall be kept on a leash when outside of a Home or in any screened porch or patio, unless someone is present in the Home. An Owner shall immediately pick up and remove any solid animal waste deposited by his pet on his Lot or the Recreation Property, except for designated pet-walk areas, if any.

Each Owner who determines to keep a pet thereby agrees to indemnify the Association and Declarant and hold them harmless against any loss or liability of any kind or character whatsoever arising from or growing out of his having any animal on the Property.

I. Increase in Insurance Rates

No Owner may engage in any action which may reasonably be expected to result in an increase in the rate of any insurance policy or policies covering or with respect to any portion of the Property not owned by such Owner.

J. Trees

No Owner may engage in any activity which will change the slope of a Lot. No additional trees are permitted to be planted on the Property without the prior written consent of Declarant for as long as Declarant owns a Lot, and thereafter without the prior written consent of the Association and the Architectural Review Committee.

K. Certain Rights of Declarant

The provisions, restrictions, terms and conditions of this Article X shall not apply to Declarant as an Owner.

ARTICLE XI
ARCHITECTURAL CONTROL COMMITTEE

A. Members of the Committee. The Architectural Control Committee, sometimes referred to in these Covenants as the "Committee," shall comprise three (3) members. The initial members of the Committee shall consist of persons designated by Declarant. Each of said persons shall hold office until all Lots and Homes have been conveyed or at such earlier time as the Declarant may, at its sole option, elect. Thereafter, each new member of the Committee shall be appointed by the Board and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the Committee, other than those designated by the Declarant, may be removed at any time without cause. The Board shall have the sole right to appoint and remove all members of the Committee other than those designated by the Declarant.

B. Review of Proposed Construction.

1. No Improvements, including, by way of example and not of limitation, accessory structures, exterior lighting fixtures, brick pavers, stamped
concrete, concrete flatwork, basketball goals, buildings, fences, walls, pools, roofs, gutters or rain spouts, antennae, aerials, microwaves, reception devices, mailboxes, external enclosures (including entry screen and patio screen enclosures), or landscaping (including hedges and massed plantings) shall be commenced, erected, installed, altered, modified, painted, planted, or maintained on the Property, including the Lots, nor shall any canopy, shutters, or window coverings be attached to or placed upon outside walls or roofs of any Home or building by any Owner other than Declarant, unless such Improvements have been reviewed by and received the written approval of the Committee. Any Owner desiring to make Improvements shall submit two (2) complete sets of plans and specifications prepared by an architect, landscape architect, engineer or other person determined by the Committee to be qualified, showing the nature, dimensions, materials and location of the same.

2. The Committee shall approve proposed plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated will not be detrimental to the appearance of the surrounding area of the Property as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures and is otherwise desirable. The Committee may also issue rules or guidelines setting forth procedures for the submission of plans and specifications. If the proposed construction, alterations or additions are to a portion of the Improvements which the Association is obligated to maintain, said approval shall also be subject to approval by the Board. The Committee may condition its approval of proposed plans and specifications in such a manner as it deems appropriate and may require the submission of additional information prior to approving or disapproving such plans. The Committee shall have no obligation to and shall not approve (nor grant any variances for) any plans and specifications submitted if approval of same would result in failure to comply with the foregoing requirements.

3. The Committee shall have forty-five (45) days after delivery of all required materials to approve or reject any such plans and, if not approved within such forty-five (45) day period, such plans shall be deemed rejected, provided that, in any event, no such addition, construction or alteration shall be made by any Owner which is detrimental to or inconsistent with the harmony, appearance or general scheme of the Property as a whole.

4. No landscaping or other Improvements on the Lake Lots which materially interfere with the view of the Lake by immediate neighbors who are also Lake Lot Owners shall be permitted. In its review of proposed plans and specifications of landscape design and materials for Lake Lots, including, but not limited to, any massed plantings, the Committee will take into consideration the effect on Lake views of such landscaping, both at the proposed time of installation and at the time when maximum growth shall have occurred. The only fence types allowed on the back and sides of a Lake Lot shall be an aluminum rail picket fence, with the rails no wider than one (1") inch and no closer together than three inches (3") on center and having a height of no greater than forty-eight inches (48"), unless otherwise required by applicable governmental laws, statutes, ordinances, rules or regulations. Notwithstanding anything to the contrary in this Declaration, such aluminum rail picket fence is the only type of fence which the Committee may approve for installation on the back or sides of a Lake Lot.

5. Notwithstanding any provision in this Article to the contrary, the approval of the Committee shall not be required for any additions, changes or
alterations within any Homes if such additions, changes or alterations are not visible from the outside of such Homes. All changes and alterations shall be subject, independently, to all applicable governmental laws, statutes, ordinances, rules and regulations.

6. Notwithstanding anything to the contrary herein contained, no construction; reconstruction, addition or alteration by Declarant shall require the prior approval or any certificate of consent of the Committee.

C. Meetings of the Committee. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time, by resolution unanimously adopted in writing, designate a Committee representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances. In the absence of such designation, the vote of any two (2) members of the Committee shall constitute an act of the Committee.

D. No Waiver of Future Approvals. The approval of the Committee of any plans and specifications or drawings for any work performed or proposed shall not be deemed to constitute a waiver of any right to withhold approval or consent to any identical or similar proposal subsequently or additionally submitted for approval or consent, whether such submission is by that applicant or another applicant. Similarly, the denial of approval by the Committee of any plans and specifications or drawings for any work done or proposed shall not be deemed to constitute a waiver of any right to approve or consent to any identical or similar proposal subsequently or additionally submitted for approval or consent, whether such submission is by that applicant or another applicant.

E. Compensation of Members. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

F. Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

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

2. Within thirty (30) days after written notice of completion, the Committee or its duly authorized representatives may inspect such Improvement. If the Committee finds such work was not done in substantial compliance with the approved plans, it shall notify the submitting party in writing of such noncompliance within such thirty (30) day period, specifying the particulars of noncompliance, and shall require the submitting party to remedy such noncompliance.

3. If upon the expiration of fifteen (15) days from the date of such notification the submitting party shall have failed to remedy such noncompliance, notification shall be given to the Board in writing of such failure. Upon such notice, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If noncompliance exists, the submitting party shall remedy or remove the same within a period of not more than thirty (30) days from the date of announcement of the Board’s ruling. If the submitting party does not comply with the Board’s ruling within such period,
the Board, at its option, may remove the Improvement, remedy the noncompliance, or proceed in court to enjoin compliance and the submitting party shall reimburse the Association, upon demand, for all expenses incurred in connection therewith, including interest and legal fees. If such expenses are not promptly repaid by the submitting party to the Association, the Board shall levy an Assessment against such submitting party for reimbursement, and said Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as liens for Operating Expenses.

4. If, for any reason, notification is not given to the submitting party of acceptance within thirty (30) days after receipt of said written notice of completion from the submitting party, the Improvement and/or alteration shall be deemed to be in compliance with said approved plans.

G. Non-Liability of Committee Members. Neither the Committee nor any member thereof, nor its duly authorized Committee representative, nor Declarant, shall be liable to the Association or to any Owner or any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's duties hereunder, unless due to the willful misconduct or bad faith of a member and only that member shall have any liability. The Committee's review and approval or disapproval of plans submitted to it for any proposed Improvement shall be based solely on considerations of the overall benefit or detriment to the community as a whole. The Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes or standards, and no member or representative of the Committee or the Association, nor the Declarant, shall be liable for the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration proposed by the plans. By submitting a request for approval, Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives of the Committee, the Declarant, and the Association generally, from any loss, claim, damage or liability connected with or arising out of the proposed improvements or alterations. Furthermore, approval by the Committee of any plans and specifications does not excuse any Owner from also receiving approvals as required by all applicable governmental agencies.

H. Variance. Except only for variances from the diversity of architectural elevation and exterior color scheme requirements (which shall not be given by the Committee), the Committee may authorize variances from compliance with any of the architectural provisions of these Covenants, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. If such variances are granted, no violation of the covenants, conditions and restrictions contained in these Covenants shall be deemed to have occurred with respect to the Improvements for which the variance was granted.

ARTICLE XII
GENERAL PROVISIONS

A. Conflict with Other Black Diamond Documents

In the event of any conflict between the provisions hereof and the provisions of the Articles and/or Bylaws and/or rules and regulations promulgated by the Association, the provisions of these Covenants shall control.

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B. Notices

Any notice or other communication required or permitted to be given or delivered hereunder shall be deemed properly given and delivered upon the mailing thereof by United States mail, postage prepaid, to: (i) any owner, at the address of the person whose name appears as the Owner on the records of the Association at the time of such mailing and, in the absence of any specific address, at the address of the Home owned by such Owner; and (ii) the Association, certified mail, return receipt requested, at 12534 Wiles Road, Coral Springs, Florida 33076, or such other address as the Association shall hereinafter notify Declarant and the Owners of in writing; and (iii) Declarant, certified mail, return receipt requested, at 12534 Wiles Road, Coral Springs, Florida 33076, or such other address or addresses as Declarant shall hereinafter notify the Association of in writing, any such notice to the Association of a change in Declarant's address being deemed notice to the Owners. Upon request of an Owner, the Association shall furnish to such Owner the then current address for Declarant as reflected by the Association records.

C. Enforcement

The covenants and restrictions herein contained may be enforced by Declarant (so long as Declarant holds an equitable or legal interest in any Lot and/or Home), the Association, any Owner and any Institutional Mortgagee holding a mortgage on any portion of the Property in any judicial proceeding seeking any remedy recognizable at law or in equity, including damages, injunction or any other form of relief against any person, firm or entity violating or attempting to violate any covenant, restriction or provision hereunder. The failure by any party to enforce any such covenant, restriction or provision herein contained shall in no event be deemed a waiver of such covenant, restriction or provision or of the right of such party to thereafter enforce such covenant, restriction or provision. The prevailing party in any such litigation shall be entitled to all costs thereof including, but not limited to, legal fees.

D. Captions, Headings and Titles

Article and Paragraph captions, headings and titles inserted throughout these Covenants intended as a matter of convenience only and in no way shall such captions, headings or titles define, limit or in any way affect the subject matter or any of the terms and provisions thereunder or the terms and provisions of these Covenants.

E. Context

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

F. Severability

In the event any of the provisions of these Covenants shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect, and any provisions of these Covenants deemed invalid by a court of competent jurisdiction by virtue of the term or scope
thereof shall be deemed limited to the maximum term and scope permitted by law. In the event that any court should hereafter determine that any provision of these Covenants is in violation of the rule of property known as the "rule against perpetuities" or any other rule of law because of the duration of a time period, such provision shall not thereby become invalid, but instead the duration of such time period shall be reduced to the maximum period allowed under such rule of law, and in the event the determination of the duration of such time period requires measuring lives, such measuring life shall be that of the incorporator of the Association.

G. Certain Rights of Declarant

Notwithstanding anything to the contrary herein contained, no improvements constructed or installed by Declarant shall be subject to the approval of the Association or the provisions and requirements of these Covenants, although it is the intent of Declarant to create a community with a common scheme of development. Notwithstanding the other provisions of these Covenants, Declarant reserves and Declarant and its nominees shall have the right to enter into and transact on the Property, any business necessary to consummate the sale, lease or encumbrance of Homes or real property including, but not limited to, the right to maintain models and a sales and/or leasing office, place signs, employ sales and leasing personnel, use the Common Area Property and show Homes, and Declarant reserves the right to make repairs to the Common Area Property and to carry on construction activity for the benefit of the Property. Declarant and its nominees may exercise the foregoing rights without notifying the Association. Any such models, sales and/or leasing office, signs and any other items pertaining to such sales or leasing efforts shall not be considered a part of the Common Area Property and shall remain the property of Declarant. This Paragraph G may not be suspended, superseded or modified in any manner by any amendment to these Covenants unless such amendment is consented to in writing by Declarant. This right of use and transaction of business as set forth herein and the other rights reserved by Declarant in the Black Diamond Documents may be assigned in writing by Declarant in whole or in part. For the purposes of this Paragraph G, the term "Declarant" shall include any "Lender" which has loaned money to Declarant to acquire or construct improvements upon the Property, or its successors and assigns if such Lender, its successors or assigns, acquires title to any portion of the Property, as a result of the foreclosure of any mortgage encumbering any portion of the Property securing any such loan to Declarant or acquires title thereto by deed in lieu of foreclosure. The rights and privileges of Declarant as set forth in this Paragraph G, which are in addition to, and are no way a limit on, any other rights or privileges of Declarant under any of the Black Diamond Documents, shall terminate upon Declarant no longer owning any portion of the Property (and having any equitable or legal interest therein) or upon such earlier date as Declarant shall notify the Association in writing of Declarant's voluntary election to relinquish the aforesaid rights and privileges.

H. Dispute as to Use

In the event there is any dispute as to whether the use of the Property or any portion or portions thereof complies with the covenants, restrictions, easements or other provisions contained in these Covenants, such dispute shall be referred to the Board, and a determination rendered by the Board with respect to such dispute shall be final and binding on all parties concerned therewith. Notwithstanding anything to the contrary herein contained, any use by Declarant of the Property or any parts thereof in
accordance with Paragraph G of this Article XI shall be deemed a use which complies with these Covenants and shall not be subject to a contrary determination by the Board.

I. Amendment and Modification

The process of amending or modifying these Covenants shall be as follows:

1. Until the Turnover Date, all amendments or modifications shall only be made by Declarant without the requirement of the Association's consent or the consent of the Owners so long as such amendments or modifications do not impair the common plan of development of Black Diamond; provided, however, that the Association shall, forthwith upon request of Declarant, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as Declarant shall, from time to time, request.

2. After the Turnover Date, these Covenants may be amended by: (i) the consent of the Owners owning at least two-thirds (2/3) of all Lots; together with (ii) the approval or ratification of a majority of the Board. The aforementioned consent of the owners owning two-thirds (2/3) of the Lots may be evidenced by a writing signed by the required number of Owners or by the affirmative vote of the required number of owners at any regular or special meeting of the Association called and held in accordance with the Bylaws evidenced by a certificate of the Secretary or an Assistant Secretary of the Association.

3. Amendments for correction of scrivener's errors or other nonmaterial changes may be made by Declarant alone until the Turnover Date and by the Board thereafter and without the need of consent of the Owners.

4. Notwithstanding anything to the contrary herein contained, no amendment to these Covenants shall be effective which shall impair or prejudice the rights or priorities of Declarant, the Association or of any Institutional Mortgagee under the Black Diamond Documents without the specific written approval of such Declarant, Association and/or Institutional Mortgagee affected thereby. Furthermore, notwithstanding anything to the contrary herein contained, no amendment to these Covenants shall be effective which would prejudice the rights of a then Owner or his family members, guests, invitees and lessees to utilize or enjoy the benefits of the then existing Property unless the Owner or Owners so affected consent to such amendment in writing or unless such amendment is adopted in accordance with the procedures required for adoption of an amendment to these Covenants after the Turnover Date. Notwithstanding anything to the contrary contained herein, no amendment to these Covenants shall be effective which shall eliminate or modify the provisions of Paragraph M of this Article XI and any such amendment shall be deemed to impair and prejudice the rights of Declarant hereunder.

5. Notwithstanding the foregoing provisions as long as the Class B membership exists, the following actions require the prior approval of the Federal Housing Administration if Black Diamond is an approved project by the Federal Housing Administration: annexation of additional properties, dedication of common areas and a material amendment to these Covenants.

6. A true copy of any amendment to these Covenants shall be sent certified mail by the Association to Declarant and to all Institutional
Mortgagees holding a mortgage on any portion of the Property requesting notice. The amendment shall become effective upon the recording of a Certificate of Amendment to these Covenants setting forth the amendment or modification amongst the Public Records of the County.

7. Notwithstanding anything contained herein to the contrary, Declarant may, without the consent of any Owners, file any amendments which may be required by an Institutional Mortgagee for the purpose of satisfying its Planned Unit Development criteria or such other criteria as may be established by such mortgagee's secondary mortgage market purchasers, including, without limitation, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation; provided, however, any such Declarant's filed amendments must be in accordance with any applicable rules, regulations and other requirements promulgated by the United States Department of Housing and Urban Development.

J. Delegation

The Association, pursuant to a resolution duly adopted by the Board, shall have the continuing authority to delegate all or any portion of its responsibilities for maintenance, operation and administration, as provided herein, to any managing agency or entity selected by the Board from time to time and whether or not related to Declarant.

K. Term

These Covenants and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the Property and inure to the benefit of Declarant, the Association, Owners, and their respective legal representatives, heirs, successors and assigns for a term of fifty (50) years from the date of recording these Covenants amongst the Public Records of the County, after which time these Covenants shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such fifty (50)-year term or any such ten (10)-year extension there is recorded amongst the Public Records of the County an instrument agreeing to terminate these Covenants signed by Owners owning two-thirds (2/3) of the Lots and Institutional Mortgagees holding first mortgages encumbering two-thirds (2/3) of all Lots encumbered by first mortgages held by Institutional Mortgagees, upon which event these Covenants shall be terminated upon the expiration of the fifty (50)-year term or the ten (10)-year extension during which such instrument was recorded.

L. Rights of Mortgagees

1. Right to Notice

The Association shall make available for inspection upon request, during normal business hours or under reasonable circumstances, the Black Diamond Documents and the books, records and financial statements of the Association to Owners and the holders, insurers or guarantors of any first mortgages encumbering any portion of the Property. In addition, evidence of insurance shall be issued to each Owner and mortgagee holding a mortgage encumbering a Home upon written request to the Association.

2. Rights of Listed Mortgagee

Upon written request to the Association, identifying the name and
address of the holder, insurer, or guarantor (such holder, insurer or guarantor is herein referred to as a "Listed Mortgagee") of a mortgage encumbering a Lot and the legal description of such Lot the Association shall provide such Listed Mortgagee with timely written notice of the following:

(a) Any condemnation, loss or casualty loss which affects any material portion of the Common Area Property;

(b) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(c) Any proposed action which would require the consent of mortgagees holding a mortgage encumbering a Lot; and

(d) Any failure by an Owner owning a Lot encumbered by a mortgage held, insured or guaranteed by such Listed Mortgagee to perform his obligations under the Black Diamond Documents, including, but not limited to, any delinquency in the payment of Assessments, or any other charge owed to the Association by said Owner where such failure or delinquency has continued for a period of sixty (60) days.

3. Right of Listed Mortgagee to Receive Financial Statement

Any Listed Mortgagee shall, upon written request made to the Association, be entitled to financial statements for the Association for the prior fiscal year free of charge and the same shall be furnished within a reasonable time following such request.

M. Approval of Association Lawsuits by Owners

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

(a) the collection of Assessments;

(b) the collection of other charges which owners are obligated to pay pursuant to the Black Diamond Documents;

(c) the enforcement of the use and occupancy restrictions contained in the Black Diamond Documents;

(d) in an emergency where waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Common Area Property or to Owner(s) (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths (3/4) of the Owners); or

(e) filing a compulsory counterclaim.

N. Compliance with Provisions

Every person who owns, occupies or acquires any right, title, estate or
interest in or to any Lot except as elsewhere herein provided does and shall be conclusively deemed to have consented to and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in such property.

O. Non-Monetary Defaults

In the event of a violation by any Owner or any tenant of an Owner, or any person residing with them, or their guests or invitees (other than the non-payment of any Assessment or other moneys), of any of the provisions of these Covenants, the Articles, the Bylaws or the Rules and Regulations of the Association, the Association shall notify the Owner and any tenant of the Owner of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, or, if the violation is not capable of being cured within such seven (7) day period, the Owner or tenant fails to commence and diligently proceed to completely cure such violation as soon as practicable within seven (7) days after written notice of the Association, or if any similar violation is thereafter repeated, the Association may, at its option:

1. Impose a fine against the Owner or tenant; and/or

2. Commence an action to enforce the performance on the part of the Owner or tenant, or for such equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

3. Commence an action to recover damages; and/or

4. Take any and all actions reasonably necessary to correct such failure, which actions may include, where applicable, but are not limited to, removing any addition, alteration, improvement or change which has not been approved by the Association, or performing any maintenance required to be performed by these Covenants.

All expenses incurred by the Association in connection with the correction of any failure, plus a service charge of ten percent (10%) of such expenses, and all expenses incurred by the Association in connection with any legal proceedings to enforce these Covenants, including reasonable attorney’s fees whether or not incurred in legal proceedings, shall be assessed against the applicable Owner and shall be due upon written demand by the Association. The Association shall have a lien for any such Assessment and any interest, cost or expenses associated therewith, including attorney’s fees incurred in connection with such Assessment, and may take such action to collect such Assessment or foreclose said lien as in the case and in the manner of any other Assessment as provided above. Any such lien shall only be effective from and after the recording of a claim of lien in the public records of the county in which the Property is located.

P. Fines

The amount of any fine shall be determined by the Board, and shall not exceed $100.00 per day per violation and not to exceed $1,000.00 per violation in each calendar year. Notwithstanding the foregoing, if any violation of these Covenants, or the Rules and Regulations is of a continuing nature, and if the Owner fails to cure any continuing violation within 30 days after written notice of such violation, or if such violation is not capable of being cured within such 30 day period, the Owner fails to commence
action reasonably necessary to cure the violation with such 30 day period ro shall thereafter fail to proceed diligently to cure the violation as soon as is reasonably practical, a daily fine may be imposed until the violation is cured. Prior to imposing any fine, the Owner or tenant shall be afforded an opportunity for a hearing after reasonable notice to the Owner or tenant of not less than 14 days, which notice shall include (i) a statement of the date, time and place of the hearing, (ii) a statement of the provisions of the Declaration, Bylaws, or Rules and Regulations which have allegedly been violated, and (iii) a short and plain statement of the matters asserted by the Association. The Owner or tenant shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the Association. At the hearing, the committee shall conduct a reasonable inquiry to determine whether the alleged violation in fact occurred, and if the committee so determines, it may impose such fine as it deems appropriate by written notice to the Owner or tenant. If the Owner or tenant fails to attend the hearing as set by the committee, the Owner or tenant shall be deemed to have admitted the allegations contained in the notice to the Owner or tenant. Any fine imposed by the committee and levied by the Board shall be due and payable within ten (10) days after written notice of the imposition of the fine or, if a hearing is timely requested, within ten (10) days after written notice to the Board’s decision of the hearing. Any fine levied against an Owner shall be deemed an Assessment, and if not paid when due, all of the provisions of this Declaration relating to the late payment of Assessments shall be applicable. If any fine is levied against a tenant and is not paid within ten (10) days after same is due, the Association shall have the right to evict the tenant as hereinafter provided. In any event, the Association shall not have the right to impose any fine against Declarant.

Q. Negligence

An Owner shall be liable and may be assessed by the Association for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, to the extent otherwise provided by law and to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of a Lot, or the Common Areas.

R. Security

The Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to make the Property safer than they otherwise might be. Declarant shall not in any way or manner be held liable or responsible for any violation of these Covenants by any person other than Declarant. Additionally, NEITHER DECLARANT, NOR THE ASSOCIATION, MAKES ANY REPRESENTATIONS WHATSOEVER AS TO THE SECURITY OF THE PREMISES OR THE EFFECTIVENESS OF ANY MONITORING SYSTEM OR SECURITY SERVICE. ALL MEMBERS AGREE TO HOLD DECLARANT AND THE ASSOCIATION HARMLESS FROM ANY LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. NEITHER THE ASSOCIATION, DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTY. NEITHER THE ASSOCIATION, DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES Undertaken, IF ANY. ALL MEMBERS, OWNERS AND OCCUPANTS OF ANY LOT OR HOME, TENANTS, GUESTS AND INVITEES OF ANY OWNER, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD, DECLARANT, OR ANY SUCCESSOR

- 30 -
DECLARANT DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM, IF ANY, DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY DECLARANT, OR THE COMMITTEES OF THE COMMUNITY ASSOCIATION, MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD AND THE COMMITTEES OF THE COMMUNITY ASSOCIATION, DECLARANT, OR ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME, AND EACH TENANT, GUEST AND INVITEE OF ANY MEMBER OR OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS OR HOMES, AND TO THE CONTENTS OF LOTS OR HOMES, AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD AND THE COMMITTEES OF THE COMMUNITY ASSOCIATION, DECLARANT, OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, MEMBER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED, IF ANY, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

IN WITNESS WHEREOF, these Covenants has been signed by Declarant and joined in by the Association on the respective dates set forth below.

Signed, sealed and delivered in the presence of:

\[Signature\]

[jammy kaehler]

(Witnesses as to Declarant)

\[Signature\]

[jammy kaehler]

(Witnesses as to Black Diamond Homeowners Association, Inc.)

DECLARANT:
CENTERLINE HOMES AT BLACK DIAMOND, INC., a Florida Corporation
By: CRAIG PERRY, President
Date: 11-30-01

BLACK DIAMOND HOMEOWNERS ASSOCIATION, INC.
By: CRAIG PERRY, President
Date: 11-30-01

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 30 day of [November], 2001 by CRAIG PERRY, as President of CENTERLINE HOMES AT BLACK DIAMOND, INC., a Florida corporation, on behalf of the corporation. He is personally known to me or he produced a Florida driver's license as identification.

\[Signature\]

Heather L. Gray
Notary Public
State of Florida
STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 30th day of
November, 2001, by CRAIG PERRY, as President of BLACK DIAMOND
HOMEOWNERS ASSOCIATION, INC., a Florida non-profit corporation, on behalf of
the corporation. He is personally known to me or produced a Florida driver's
license as identification.

[Signature]
Notary Public
State of Florida

[Notary Seal]
Heather L. Gray
Commission # 734751
Expires April 13, 2002
Atlantic Bonding Co., Inc.
PARCEL "A":
A PARCEL OF LAND BEING A PART OF TRACT 1, BLOCK 18, PALM BEACH FARMS COMPANY PLAT NO 3, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 45, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AND AS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF SAID TRACT 1; THENCE SOUTH 01 DEGREES 57 MINUTES 36 SECONDS WEST ALONG THE EAST LINE OF SAID TRACT 1, A DISTANCE OF 312.20 FEET; THENCE NORTH 08 DEGREES 39 MINUTES 24 SECONDS WEST, A DISTANCE OF 44.78 FEET TO THE POINT OF BEGINNING AND THE INTERSECTION WITH THE WEST RIGHT-OF-WAY LINE OF STATE ROAD NO 7, AS RECORDED IN ROAD PLAT BOOK 1, PAGES 35 THROUGH 41, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE CONTINUE NORTH 08 DEGREES 39 MINUTES 24 SECONDS WEST, A DISTANCE OF 890.10 FEET TO A POINT ON WEST LINE OF SAID TRACT 1, SAID POINT BEING 332.50 FEET SOUTH OF THE NORTHEAST CORNER OF SAID TRACT 1, AS MEASURED ALONG THE WEST LINE OF SAID TRACT 1; THENCE NORTH 00 DEGREES 48 MINUTES 24 SECONDS WEST, ALONG SAID WEST LINE, A DISTANCE OF 332.50 FEET TO SAID NORTHWEST CORNER; THENCE SOUTH 87 DEGREES 26 MINUTES 43 SECONDS EAST ALONG THE NORTH LINE OF SAID TRACT 1; A DISTANCE OF 606.30 FEET TO THE INTERSECTION WITH THE WEST RIGHT-OF-WAY LINE OF SAID STATE ROAD 7; THENCE SOUTH 01 DEGREES 55 MINUTES 15 SECONDS WEST ALONG SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 313.15 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT (O.T. TAKING DESCRIPTION):
A PORTION OF TRACT 1, BLOCK 18 OF PALM BEACH FARMS CO. PLAT NO 3, AS RECORDED IN PLAT BOOK 2, PAGE 45, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, LYING IN SECTION 12, TOWNSHIP 44 SOUTH, RANGE 41 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER (NE 1/4) OF SAID SECTION 12; THENCE SOUTH 87 DEGREES 53 MINUTES 59 SECONDS EAST, ALONG THE NORTH LINE OF SAID SECTION 12, A DISTANCE OF 508.356 METERS (1665.09 FEET) TO THE NORTHEAST CORNER OF SAID SECTION 12; THENCE SOUTH 08 DEGREES 21 MINUTES 33 SECONDS EAST ALONG A LINE AT RIGHT ANGLES TO THE BASELINE OF SURVEY FOR STATE ROAD 7 (US 441) A DISTANCE OF 1.448 METERS (4.74 FEET) TO SAID BASELINE OF SURVEY; THENCE SOUTH 01 DEGREES 38 MINUTES 27 SECONDS WEST ALONG SAID BASELINE OF SURVEY, A DISTANCE OF 5.626 Meters (18.44 FEET); THENCE NORTH 86 DEGREES 21 MINUTES 33 SECONDS WEST ALONG A LINE AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE, A DISTANCE OF 73.153 METERS (240.00 FEET) TO THE POINT OF BEGINNING; THENCE SOUTH 01 DEGREES 38 MINUTES 27 SECONDS WEST, A DISTANCE OF 84.324 METERS (280.46 FEET); THENCE SOUTH 01 DEGREES, 38 MINUTES 26 SECONDS WEST, A DISTANCE OF 2.196 Meters (7.21 FEET); THENCE SOUTH 08 DEGREES 12 MINUTES 02 SECONDS EAST A DISTANCE OF 50.285 METERS (165.02 FEET) TO A POINT ON THE WESTERLY EXISTING RIGHT-OFF-WAY LINE FOR SAID STATE ROAD 7 (US 441); THENCE NORTH 01 DEGREES 38 MINUTES 26 SECONDS EAST, ALONG SAID WESTERLY EXISTING RIGHT-OFF-WAY LINE, A DISTANCE OF 1.458 METERS (4.782 FEET); THENCE NORTH 01 DEGREES 38 MINUTES 27 SECONDS EAST, CONTINUING ALONG SAID WESTERLY EXISTING RIGHT-OFF-WAY LINE A DISTANCE OF 83.898 METERS (275.38 FEET); THENCE NORTH 57 DEGREES 59 MINUTES 18 SECONDS WEST, A DISTANCE OF 50.285 METERS (165.01 FEET) TO THE POINT OF BEGINNING.

TOGETHER WITH PARCEL "B":

TOGETHER WITH PARCEL "C":
BEING ALL OF TRACT 2 AND TRACT 3, BLOCK 18, THE PALM BEACH FARMS CO. PLAT NO. 3, AS RECORDED IN PLAT BOOK 2, PAGE 45 THROUGH 54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

TOGETHER WITH PARCEL "D":
THAT PORTION OF THE PLATTED ROADWAY RESERVATIONS ADJOINING AND IMMEDIATELY NORTH OF TRACT 2 AND TRACT 3, OF SAID BLOCK 18, AND ADJOINING IMMEDIATELY WEST OF TRACT 3, OF SAID BLOCK 18.

TOGETHER WITH PARCEL "E":
BEING A PARCEL OF LAND IN SECTIONS 1 AND 12, TOWNSHIP 44 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE NORTHWEST ONE QUARTER (NW 1/4) OF SECTION 12, TOWNSHIP 44 SOUTH, RANGE 41 EAST; LESS AND EXCEPT THE EAST 80 FEET OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 12, TOWNSHIP 44 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA.

TOGETHER WITH:
THE SOUTH 828.23 FEET OF THE SOUTHWEST ONE QUARTER (SW 1/4) OF SECTION 1, TOWNSHIP 44 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA.

EXCEPTING THEREFROM:
THE EAST 40 FEET OF THE SOUTH 828.23 FEET OF SAID SOUTHWEST ONE QUARTER (SW 1/4) OF SECTION 1, AS CONVEYED TO THE LAKE WORTH DRAINAGE DISTRICT BY QUIT CLAIM DEED RECORDED IN OFFICIAL RECORDS BOOK 937, PAGE 379, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

TOGETHER WITH PARCEL "F":

TOGETHER WITH PARCEL "G":
THE EAST 80 FEET OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 12, TOWNSHIP 44 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA.

CONTAINING 10,337.245 SQUARE FEET OR 237.3105 ACRES, MORE OR LESS.

EXHIBIT "A"
ARTICLES OF INCORPORATION
OF
BLACK DIAMOND HOMEOWNERS ASSOCIATION, INC.
(A Florida Corporation Not For Profit)

In order to form a corporation not for profit under and in accordance with the provisions of Chapter 617 and Chapter 720 of the Florida Statutes, the undersigned hereby incorporates the corporation not for profit for the purposes and with the powers hereinafter set forth and, to that end, the undersigned, by these Articles of Incorporation, certifies as follows:

ARTICLE I
DEFINITIONS

The following words and phrases when used in these Articles of Incorporation unless the context clearly reflects another meaning) shall have the following meanings:

1. "Articles" mean these Articles of Incorporation and any amendments hereto.


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

4. "Bylaws" mean the Bylaws of the Association and any amendments thereto.

5. "Common Area Property" means the property more particularly described in Article II of the Covenants.

6. "County" means Palm Beach County, Florida.

7. "Covenants" means the Declaration of Covenants, Restrictions and Easements for Black Diamond, which is intended to be recorded amongst the Public Records of the County, and any amendments thereto.

8. "Declarant" means Centerline Homes at Black Diamond, Inc., a Florida corporation, and any successor or assign thereof, which (a) acquires any Lot from Declarant for the purpose of development and to which Centerline Homes at Black Diamond, Inc., specifically assigns all or part of the rights of Declarant hereunder by an express written assignment recorded in the Public Records of the County or (b) acquires any Lot through foreclosure or deed in lieu of foreclosure of the mortgage executed by Declarant to acquire the Property or to construct a Home on such Lot and such Person acquiring any Lot through foreclosure or deed in lieu of foreclosure files a written election to become a Declarating among the Public Records of the County. The written election shall give notice as to which rights of Declaring are to be exercised. The statement shall be in recordable form, shall be executed by such Person alone, and shall not require the execution or joinder of any other party. In any event, any subsequent Declaring shall not be liable for any default or obligations incurred by any prior Declaring, except as may be expressly assumed by the subsequent Declaring.

9. "Director" means a member of the Board.

10. "Black Diamond" means the planned residential community planned for development upon the "Property" (as defined in the Covenants) which is intended to
be comprised of and include, but not limited to four hundred seventy-four (474) single family Lots and the Common Area Property located within the Property.

11. "Black Diamond Documents" mean in the aggregate the Covenants, these Articles, the Bylaws and all of the instruments and documents referred to or incorporated therein including, but not limited to, amendments to any of the foregoing, as applicable.

12. "Home" means a residential dwelling unit in Black Diamond intended as an abode for one family constructed on the Property.

13. "Lot" means that portion of the Property upon which a Home is permitted to be erected.

14. "Member" means a member of the Association.

15. "Operating Expenses" mean the expenses for which Owners are liable to the Association as described in the Black Diamond documents and includes, but is not limited to, the costs and expenses incurred by the Association in administering, operating, reconstructing, maintaining or repairing the Common Area Property as more particularly described in the Covenants.

16. "Owner" means the owner(s) of the fee simple title to a Lot and includes Declaring for so long as it is the owner of the fee simple title to a Lot.

ARTICLE II
NAME

The name of this corporation shall be BLACK DIAMOND HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, whose principal address and mailing address is 12534 Miles Road, Coral Springs, Florida 33067.

ARTICLE III
PURPOSES

The purpose for which this Association is organized is to take title to, operate, administer, manage, lease and maintain the Common Area Property in accordance with the terms of, and purposes set forth in the Black Diamond Documents and to carry out the covenants and enforce the provisions of the Black Diamond Documents.

ARTICLE IV
POWERS

The Association shall have the following powers and shall be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not for profit, including but not limited to the powers set forth in Chapter 720, Florida Statutes.

B. The Association shall have all of the powers to be granted to the Association in the Black Diamond Documents. All of the provisions of the Covenants and Bylaws which grants powers to the Association are incorporated into the Articles.
C. The Association shall have all of the powers reasonably necessary to implement the purposes of the Association, including, but not limited to, the following:

1. To perform any act required or contemplated by it under the Black Diamond Documents.

2. To make, establish, amend and enforce reasonable rules and regulations governing the use of the Common Area Property.

3. To make, levy and collect assessments for the purpose of obtaining funds from its Members to pay Operating Expenses and costs of collection, including the operational expenses of the Association and to use and expend the proceeds of assessments in the exercise of the powers and duties of the Association.

4. To maintain, repair, replace and operate the Common Area Property including the surface water management system permitted by the South Florida Water Management District.

5. To sue and be sued and to enforce by legal means the obligations of the Members and the provisions of the Black Diamond Documents.

6. To employ personnel, retain independent contractors and professional personnel and enter into service contracts to provide for the maintenance, operation, administration and management of the Common Area Property and to enter into any other agreements consistent with the purposes of the Association, including, but not limited to, agreements with respect to professional management of the Common Area Property and to delegate to such professional management certain powers and duties of the Association.

7. To enter into the Covenants and any amendments thereto and instruments referred to therein.

8. To provide, to the extent deemed necessary by the Board, any and all services and do any and all things which are incidental to or in furtherance of things listed above or to carry out the Association mandate to keep and maintain Black Diamond in a proper and aesthetically pleasing condition and to provide the owners with services, amenities, controls and enforcement which will enhance the quality of life at Black Diamond.

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

(a) the collection of assessments;

(b) the collection of other charges which owners are obligated to pay pursuant to the Black Diamond Documents;

(c) the enforcement of any applicable use and occupancy restrictions contained in the Black Diamond Documents;

(d) in an emergency where waiting to obtain the approval of the Members creates a substantial risk of irreparable injury to the Common Area Property or to
Member(s) (the imminent expiration of statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths (3/4) of the Members); or

(e) filing a compulsory counterclaim.

ARTICLE V
MEMBERS AND VOTING

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

A. Until such time as the first deed of conveyance of a Lot from Declarant to an Owner is recorded amongst the Public Records of the County ("First Conveyance"), the membership of the Association shall be comprised solely of the incorporator of these Articles ("Incorporator"). The Incorporator shall be entitled to cast one (1) vote on all matters requiring a vote of the membership.

B. Upon the First Conveyance, membership of the Incorporator in the Association shall be automatically terminated and thereupon Declarant shall be a Member as to each of the remaining Lots until each such Lot is conveyed to another owner, and thereupon and thereafter each and every Owner, including Declarant as to Lots owned by Declarant, shall be Members and exercise all of the rights and privileges of Members.

C. Membership in the Association for Owners other than Declarant shall be established by the acquisition of ownership of fee title to a Lot as evidenced by the recording of an instrument of conveyance amongst the Public Records of the County. Where title to a Lot is acquired by conveyance from a party other than Declarant by means of sale, gift, inheritance, devise, judicial decree or otherwise, the person, persons or entity thereby acquiring such Lot shall not be a Member unless or until such owner shall deliver a true copy of a deed or other instrument of acquisition of title to the Association.

D. The Association shall have two (2) classes of voting membership:

1. "Class A Members" shall be all Members, with the exception of Declarant, and shall be entitled to one (1) vote for each Lot owned.

2. "Class B Members" shall be Declarant who shall be entitled to two times the total number of votes of the Class A Members plus one. Class B membership shall cease and be converted to Class A membership upon the earliest to occur of the following events ("Turnover Date"):

(i) Three (3) months after the conveyance of ninety percent (90%) of the "Total Developed Lots" (as defined in Paragraph X.C hereof) by Declarating, if applicable as evidenced by the recording of instruments of conveyance of such Lots amongst the Public Records of the County; or

(ii) At such time as Declarant shall designate in writing to the Association.

On the Turnover Date, Class A Members including Declarant shall assume control of the Association and elect the Board.

E. The designation of different classes of membership are for purposes of establishing the number of votes applicable to certain Lots, and, nothing herein
shall be deemed to require voting solely by an individual class on any matter which
requires the vote of Members, unless otherwise specifically set forth in Black
Diamond documents.

F. No Member may assign, hypothecate or transfer in any manner his
membership in the Association except as an appurtenance to his Lot.

G. Any Member who conveys or loses title to a Lot by sale, gift, devise,
bequest, judicial decree or otherwise shall, immediately upon such conveyance or
loss of title, no longer be a Member with respect to such Lot and shall lose all
rights and privileges of a Member resulting from ownership of such Lot.

H. There shall be only one (1) vote for each Lot, except for Class B
Members as set forth herein. If there is more than one Member with respect to a Lot
as a result of the fee interest in such Lot being held by more than one person, such
Members collectively shall be entitled to only one (1) vote. The vote of the Owners
of a Lot owned by more than one natural person or by a corporation or other legal
entity shall be cast by the person named in a certificate signed by all of the
Owners of the Lot, or, if appropriate, by properly designated officers, partners or
principals of the respective legal entity, and filed with the Secretary of the
Association, and such certificate shall be valid until revoked by a subsequent
certificate. If such a certificate is not filed with the Secretary of the
Association, the vote of such Lot shall not be considered for a quorum or for any
other purpose.

Notwithstanding the foregoing provisions, whenever any Lot is owned by a
husband and wife they may, but shall not be required to, designate a voting member.
In the event a certificate designating a voting member is not filed by the husband
and wife, the following provisions shall govern their right to vote:

1. Where both are present at a meeting, each shall be regarded as the agent
and proxy of the other for purposes of casting the vote for each Lot owned by them.
In the event they are unable to concur in their decision upon any subject requiring
a vote, they shall lose their right to vote on that subject at that meeting.

2. Where only one (1) spouse is present at a meeting, the person present
may cast the Lot vote without establishing the concurrence of the other spouse,
absent any prior written notice to the contrary by the other spouse. In the event
of prior written notice to the contrary to the Association by the other spouse, the
vote of said Lot shall not be considered.

3. Where neither spouse is present, the person designated in a "Proxy" (as
defined in the Bylaws) signed by either spouse may cast the Lot vote, absent any
prior written notice to the contrary to the Association by the other spouse or the
designation of a different Proxy by the other spouse. In the event of prior written
notice to the contrary to the Association or the designation of a different Proxy
by the other spouse, the vote of said Lot shall not be considered.

4. A quorum shall consist of persons entitled to cast at least one-third
(1/3) of the total number of votes of the Members.

ARTICLE VI
TERM

The term for which this Association is to exist shall be perpetual. If the
Association is dissolved, the surface water management system, property containing
the surface water management system and water management portions of Common Area

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Property shall be conveyed to an agency of local government determined to be acceptable by the South Florida Water Management District. If the local government declines to accept the conveyance, then the surface water management system, property containing the surface water management system and water management portions of Common Area Property shall be dedicated to a similar non-profit corporation. In the event of dissolution of the Association (unless same is reinstated), other than incident to a merger or consolidation, all of the assets of the Association shall be dedicated to a public body or conveyed to a non profit organization with similar purposes, if permissible under applicable law.

ARTICLE VII
INCORPORATOR

The name and address of the Incorporator of these Articles are:

Craig Perry
12534 Miles Road
Coral Springs, Florida 33076

ARTICLE VIII
OFFICERS

The affairs of the Association shall be managed by the President of the Association, assisted by the Vice President(s), Secretary and Treasurer, and, if any, by the Assistant Secretary(ies) and Assistant Treasurer(s), subject to the directions of the Board.

The Board shall elect the President, Secretary and Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall, from time to time, determine. The President shall be elected from amongst the membership of the Board. The same person may hold two offices, the duties of which are not incompatible; provided, however, the office of President and a Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

ARTICLE IX
FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

<table>
<thead>
<tr>
<th>Officer</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>Craig Perry</td>
</tr>
<tr>
<td>Vice President</td>
<td>Steve Margolis</td>
</tr>
<tr>
<td>Secretary/Treasurer</td>
<td>Al Gomez</td>
</tr>
</tbody>
</table>

ARTICLE X
BOARD OF DIRECTORS

A. The number of Directors on the first Board of Directors of the Association ("First Board") and the "Initial Elected Board" (as hereinafter defined) shall be three (3). The number of Directors elected by the Members subsequent to the "Declarant's Resignation Event" (as hereinafter defined) shall be not less than three (3) nor more than seven (7), as the Board shall from time to time determine prior to each meeting at which Directors are to be elected. Except for
Declarant-appointed Directors, Directors must be Members. There shall be any one (1) vote for each Director.

B. The names and addresses of the persons who are to serve as Directors on the First Board are as follows:

<table>
<thead>
<tr>
<th>NAMES</th>
<th>ADDRESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Craig Perry</td>
<td>12534 Wiles Road</td>
</tr>
<tr>
<td></td>
<td>Coral Springs, Florida 33076</td>
</tr>
<tr>
<td>Steve Margolis</td>
<td>12534 Wiles Road</td>
</tr>
<tr>
<td></td>
<td>Coral Springs, Florida 33076</td>
</tr>
<tr>
<td>Al Gomez</td>
<td>12534 Wiles Road</td>
</tr>
<tr>
<td></td>
<td>Coral Springs, Florida 33076</td>
</tr>
</tbody>
</table>

Declaring reserves the right to replace and/or designate and elect successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided.

C. Declaring intends that Black Diamond, when ultimately developed, shall contain an aggregate of four hundred seventy-four (474) Developed Lots with a Home erected upon each Lot ("Developed Lots") For purposes thereof, "Total Developed Lots" shall mean the four hundred seventy-four (474) Developed Lots which Declaring intends to develop in Black Diamond.

D. Upon the Turnover Date, the Members other than Declaring ("Purchaser Members") shall be entitled to elect not less than a majority of the Board. The election of not less than a majority of the Board by the Purchaser Members shall occur at a special meeting of the membership to be called by the Board for such purpose ("Initial Election Meeting"). The First Board shall serve until the Initial Election Meeting.

E. At the Initial Election Meeting, Purchaser Members, who shall include all Members other than the Declaring, the number of which may change from time to time, shall elect two (2) of the Directors, and Declaring, until the Declaring's Resignation Event, shall be entitled to designate one (1) Director (same constituting the "Initial Elected Board"). Declaring reserves and shall have the right, until the Declaring's Resignation Event, to name the successor, if any, to any Director it has so designated.

F. The Board shall continue to be so designated and elected, as described in Paragraph E above, at each subsequent "Annual Members' Meeting" (as defined in the Bylaws), until the Annual Members' Meeting following the Declaring's Resignation Event or until he is removed in the manner hereinafter provided.

A Director (other than a Declaring-appointed Director) may be removed from office upon the affirmative vote of a majority of owners, for any reason deemed to be in the best interests of the Owners. A meeting of the Owners to so remove a Director (other than a Declaring-appointed Director) shall be held upon the written request of twenty-five percent (25%) of the Owners.

G. The Initial Election Meeting shall be called by the Association, through the Board, within sixty (60) days after the Purchaser Members are entitled to elect a majority of Directors as provided in Paragraph D hereof. A notice of meeting shall be forwarded to all Members in accordance with the Bylaws; provided, however, that
the Members shall be given at least fourteen (14) days, notice of such meeting. The notice shall also specify the number of Directors which shall be elected by the Purchaser Members and the remaining number of Directors designated by Declarant.

H. Upon the earlier to occur of the following events ("Declarant's Resignation Event"), Declarant shall cause all of its designated Directors to resign:

1. When Declarant no longer holds at least five percent (5%) of the Total Developed Lots for sale in the ordinary course of business and all Lots sold by Declarant have been conveyed as evidenced by the recording of instruments of conveyance of such Lots amongst the Public Records of the County; or

2. When Declarant causes the voluntary resignation of all of the Directors designated by Declarant and does not designate replacement Directors.

Upon Declarant's Resignation Event, the Directors elected by Purchaser Members shall elect a successor Director to fill the vacancy caused by the resignation or removal of Declarant's designated Director. This successor Director shall serve until the next Annual Members' Meeting and until his successor is elected and qualified. In the event Declarant's Resignation Event occurs prior to the Initial Election Meeting, the Initial Election Meeting shall be called in the manner set forth in Paragraph G of this Article X, and all of the Directors shall be elected by the Purchaser Members at such meeting.

I. At each Annual Members Meeting held subsequent to Declarant's Resignation Event, all of the Directors shall be elected by the Members. At the first Annual Members Meeting held after the Initial Election Meeting, a "staggered" term of office of the Board shall be created as follows:

1. A number equal to fifty percent (50%) of the total number of Directors rounded to the nearest whole number is the number of Directors whose term of office shall be established at two (2) years and the Directors serving for a two (2) year term will be the Directors receiving the most votes at the meeting; and

2. The remaining Directors' terms of office shall be established at one (1) year.

At each Annual Members Meeting thereafter, as many Directors of the Association shall be elected as there are Directors whose regular term of office expires at such time, and the term of office of the Directors so elected shall be for two (2) years expiring when their successors are duly elected and qualified.

3. The resignation of a Director who has been designated by Declarant or the resignation of an officer of the Association who has been elected by the First Board shall reside, release, acquit, satisfy and forever discharge such officer or Director of and from any and all manner of action(s), cause(s) of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the Association or Purchaser Members had, have or will have or which any personal representative, successor, heir or assign of the Association or Purchaser Members hereafter can, shall or may have against said officer or Director for, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of such resignation, except for such Director's or officer's willful misconduct or gross negligence.
ARTICLE XI
INDEMNIFICATION

Each and every Director and officer of the Association shall be indemnified by the Association against all costs, expenses and liabilities, including attorney and paralegal fees at all trial and appellate levels and postjudgment proceedings, reasonably incurred by or imposed upon him in connection with any negotiations, proceeding, arbitration, litigation or settlement in which he becomes involved by reason of his being or having been a Director or officer of the Association, and the foregoing provision for indemnification shall apply whether or not such person is a Director or officer at the time such cost, expense or liability is incurred. Notwithstanding the above, in the event of any such settlement, the indemnification provisions provided in this Article XI shall not be automatic and shall apply only when the Board approves such settlement and reimbursement for the costs and expenses of such settlement as in the best interest of the Association, and in the event a Director or officer admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, the indemnification provisions of this Article XI shall not apply. The foregoing right of indemnification provided in this Article XI shall be in addition to and not exclusive of any and all right of indemnification to which a Director or officer of the Association may be entitled under statute or common law.

ARTICLE XII
BYLAWS

The Bylaws shall be adopted by the First Board, and thereafter may be altered, amended or rescinded in the manner provided for in the Bylaws. In the event of any conflict between the provisions of these Articles and the provisions of the Bylaws, the provisions of these Articles shall control.

ARTICLE XIII
AMENDMENTS

A. Prior to the conveyance by Declarant of a Lot to an Owner, these Articles may be amended only by an instrument in writing signed by the incorporator of these Articles and filed in the Office of the Secretary of State of the State of Florida.

B. After the conveyance by Declarant of a Lot to an Owner, these Articles may be amended in the following manner:

1. (a) The Board shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the Members, which may be at either the Annual Members' Meeting or a special meeting. Any number of proposed amendments may be submitted to the Members and voted upon by them at one meeting.

(b) Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member via U.S. Mail within the time and in the manner provided in the Bylaws for the giving of notice of meetings ("Required Notice").

(c) At such meeting, a vote of the Members shall be taken on the proposed amendment(s). The proposed amendment(s) shall be adopted upon receiving the affirmative vote of at least two-thirds of the Members entitled to the votes of the Members.
2. An amendment may be adopted by a written statement (in lieu of a meeting) signed by all Members and all members of the Board setting forth their intention that an amendment to the Articles be adopted.

C. These Articles may not be amended without the written consent of a majority of the members of the Board.

D. Notwithstanding any provisions of this Article XIII to the contrary, these Articles shall not be amended in any manner which shall prejudice the rights of: (i) Declarant, without the prior written consent thereto by Declarant, for so long as Declarant holds at least one (1) Lot for sale in the ordinary course of business; or (ii) any "Institutional Mortgagee" (as such term is defined in the Recreational Covenants) without the prior written consent of such Institutional Mortgagee.

E. Notwithstanding the foregoing provisions of this Article XIII, no amendment to these Articles shall be adopted which shall abridge, amend or alter the rights of Declarant hereunder including, but not limited to, Declarant's right to designate and select members of the First Board or otherwise designate and select Directors as provided in Article X hereof, nor shall any amendment be adopted or become effective without the prior written consent of Declarant.

F. Any instrument amending these Articles shall identify the particular article or articles being amended and shall provide a reasonable method to identify the amendment being made. A certified copy of each of such amendment shall be attached to any certified copy of these Articles, and a copy of each amendment certified by the Secretary of State shall be recorded amongst the Public Records of the County.

ARTICLE XIV
REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 12534 Wiles Road, Coral Springs, Florida 33076 and the initial registered agent of the Association at that address shall be Craig Perry.

IN WITNESS WHEREOF, the Incorporator has hereunto affixed his signature this 30 day of November, 2001.

Craig Perry

The undersigned hereby accepts the designation of Registered Agent as set forth in Article XIV of these Articles of Incorporation, and acknowledges that he is familiar with, and accepts the obligations imposed upon registered agents under the Florida Not For Profit Corporation Act.

Steve Margolis
Dated: 11/30/01
STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 30 day of November 2001 by Craig Perry and Steve Margolis, who are personally known to me and who have produced Florida drivers' licenses as identification.

Heather L. Gray
Notary Public
My Commission Expires: April 18, 2002
BYLAWS
OF
BLACK DIAMOND HOMEOWNERS ASSOCIATION, INC.

Section 1. Identification of Association

These are the Bylaws of Black Diamond Homeowners Association, Inc. ("Association") as duly adopted by its Board of Directors ("Board"). The Association is a corporation not for profit, organized pursuant to Chapter 617 and Chapter 720, Florida Statutes.

1.1. The office of the Association shall be for the present at 12534 Wiles Road, Coral Springs, Florida 33076 and thereafter may be located at any place designated by the Board.

1.2. The fiscal year of the Association shall be the calendar year.

1.3. The seal of the Association shall bear the name of the Association, the word "Florida" and the words "Corporation Not For Profit."

Section 2. Explanation of Terminology

The terms defined in the Articles of Incorporation of the Association ("Articles") as well as in the Declaration of Covenants, Restrictions and Easements for Black Diamond ("Covenants") are incorporated herein by reference and shall appear in initial capital letters each time such terms appear in these Bylaws.

Section 3. Membership; Members, Meetings; Voting and Proxies

3.1. The qualification of Members, the manner of their admission to membership in the Association, the manner of termination of such membership and the voting by Members shall be as set forth in the Articles.

3.2. The Members shall meet annually ("Annual Members' Meeting"). The Annual Members' Meeting shall be held at the office of the Association or at such other place in the County as the Board may determine and on such day and at such time as designated by the Board in the notice of such meeting commencing with the year following the year in which the Articles are filed with the Secretary of State. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the Board (when that shall be appropriate as determined by the provisions of the Articles) and transact any other business authorized to be transacted at such Annual Members' Meeting.

3.3. Special meetings (meetings other than the Annual Members' Meeting) of the Members shall be held at any place within the County whenever called by the President or Vice President or by a majority of the Board. A special meeting must be called by such President or Vice President upon receipt of a written request from Members having the right to vote at least one-third (1/3) of the total number of votes entitled to be cast by Members at any such special meeting.

3.4. Except as otherwise provided in the Articles, a written notice of all Members, meetings, whether the Annual Members' Meeting or special meetings (collectively "Meeting"), shall be given to each Member entitled to vote thereat.
at his last known address as it appears on the books of the Association and shall be mailed to the said address not less than fourteen (14) days nor more than forty-five (45) days prior to the date of the Meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Any notice given hereunder shall state the time and place of the Meeting and the purposes for which the Meeting is called. The notice of all Annual Members' Meetings shall, in addition, specify the number of Directors of the Association to be designated by Declarant and the number of Directors to be elected by the Members, if applicable. Notice of any special meeting shall include a description of the purpose or purposes for which the meeting is being called. Notwithstanding any provisions hereof to the contrary, notice of any Meeting may be waived before, during or after such Meeting by a Member or by the person entitled to vote for such Member by signing a document setting forth the waiver of such notice.

3.5. The Members may, at the discretion of the Board, act by written response in lieu of a Meeting provided written notice of the matter or matters to be agreed upon is given to the Members or duly waived in accordance with the provisions of these Bylaws. Unless some greater number is required under the Black Diamond Documents and except as to the election of Directors, which shall be accomplished by plurality vote, the decision of a majority of the votes cast by Members as to the matter or matters to be agreed or voted upon shall be binding on the Members provided a quorum is either present at such Meeting or submits a response if action is taken by written response in lieu of a Meeting, as the case may be. The notice with respect to actions to be taken by written response in lieu of a Meeting shall set forth the time period during which the written responses must be received by the Association.

3.6. (a) A quorum of the Members shall consist of Members entitled to cast thirty (30%) percent of the total number of votes of the Members. A quorum of any Class Members shall consist of Class Members entitled to cast thirty (30%) percent of the total number of votes of the Class Members. Limited proxies and general proxies may be used to establish a quorum.

(b) When a quorum is present at any Meeting and a question which raises the jurisdiction of such Meeting is presented, the holders of a majority of the voting rights present in person or represented by written "Proxy" (as hereinafter defined) shall be required to decide the question. However, if the question is one upon which a vote other than the majority vote of a quorum is required by express provision of the Black Diamond documents or by law, then such express provision shall govern and control the required vote on the decision of such question.

3.7. At any Annual Members, Meeting when elections of Directors are to occur, written ballots are to be supplied to Members for such purposes. Furthermore, at any Annual Members' Meeting at which Directors are to be elected, the "Chairman" (as hereinafter defined in Paragraph 7.2 hereof) shall have the option to appoint an "Election Committee" consisting of three (3) Members to supervise the election, count and verify ballots and Proxies, disqualify votes if such disqualification is justified under the circumstances and to certify the results of the election to the Board. The Election Committee shall be able to determine questions within its jurisdiction by plurality vote of all three (3) members, but matters resulting in deadlocked votes of the Election Committee shall be referred to the entire Board for resolution.

3.8. If a quorum is not in attendance at a Meeting, the Members who are
present, either in person or by Proxy, may adjourn the Meeting from time to time until a quorum is present with no further notice of such adjourned Meeting being required unless otherwise determined by the Board.

3.9. Minutes of all Meetings shall be kept in a businesslike manner and be available for inspection by the Members and Directors at all reasonable times with ten (10) day written notice and costs as determined. The Association shall retain minutes for at least seven (7) years subsequent to the date of the Meeting the minutes reflect.

3.10. Voting rights of Members shall be as stated in the Articles with respect to the election of all Boards other than the First Board. Such votes may be cast in person or by Proxy. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted in the place and stead of the person or authorized representative of an entity entitled to vote. Proxies shall be in writing signed by the person or authorized representative of an entity giving the same and shall be valid only for the particular Meeting designated therein and, if so stated in the Proxy, any adjournments thereof, provided, however, any proxy automatically expires ninety (90) days after the date of the meeting for which it was originally given. A Proxy must be filed with the Secretary of the Association before the appointed time of the Meeting in order to be valid. Any Proxy may be revoked prior to the time a vote is cast according to such Proxy.

3.11. The voting on any matter at a Meeting shall be by secret ballot upon request of the holders of ten percent (10%) of the votes represented at such Meeting and entitled to be cast on such matter, if such request is made prior to the vote in question.

Section 4. Board; Directors' Meetings

4.1. The business and administration of the Association shall be by its Board.

4.2. The election and, if applicable, designation of Directors shall be conducted in accordance with the Articles. Except for Declarant-appointed Directors, Directors must be Members.

4.3. (a) Any person elected or designated as a Director shall have all the rights, privileges, duties and obligations of a Director of the Association.

(b) The term of a Director's service shall be as stated in the Articles and, if not so stated, shall extend until the next Annual Members' Meeting and thereafter until his successor is duly elected and qualified or until he resigns or is removed in the manner elsewhere provided.

4.4. The organizational meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. Provided the organizational meeting is held directly following the Annual Members' Meeting, no further notice of the organizational meeting shall be necessary; if not, however, notice of the organizational meeting shall be given in accordance with Section 720.303(2), Florida Statutes.
4.5. Regular meetings of the Board may be held at such times and places in the County as shall be determined from time to time by a majority of Directors. Special meetings of the Board may be called at the discretion of the President or the Vice President. Special meetings must be called by the Secretary at the written request of at least one-third (1/3) of the Directors. Such special meeting may be held in the County at such time and place as determined by the Directors requesting such meeting or in such other place as all Directors shall agree upon.

4.6. Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting unless such notice is waived before, during or after such meeting. Any Director may waive notice of the meeting in writing before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.7 Notice of all Board meetings shall be given to the Members in accordance with Section 720.303(2), Florida Statutes.

4.8. A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as may be otherwise specifically provided by law, by the Articles or elsewhere herein. If at any meetings of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any meeting that takes place on account of a previously adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by the Board.

4.9. The presiding officer at all Board meetings shall be the President. In the absence of the President, the Directors shall designate any one of their number to preside.

4.10. Directors' fees, if any, shall be determined by the Members.

4.11. Minutes of all meetings of the Board shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times.

4.12. The Board shall have the power to appoint an "Executive Committee(s)" of the Board consisting of not less than three (3) Directors. An Executive Committee(s) shall have and exercise such powers of the Board as may be delegated to such Executive Committee(s) by the Board and all meetings of any Executive Committee of the Board shall be open to all Members.

4.13. Meetings of the Board will be open to all Members on such terms as the Board may determine. The Board may also hold closed meetings to the extent permitted by applicable law, i.e. where the discussion at a meeting is governed by attorney-client privilege. If open, unless a Member serves as a Director or unless he has been specifically invited by the Director to participate in the meeting, the Members shall not be entitled to participate in the meeting, but shall only be entitled to act as observers. In the event a Member not serving as
a Director or not otherwise invited by the Directors to participate in the meeting attempts to become more than a mere observer at the meeting or conducts himself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish said Member's expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a Member or a duly authorized representative, agent or proxy holder of a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

4.14. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, specifically setting forth the action to be taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof and such consent shall have the same force and effect as a unanimous vote of Directors; provided, however, whenever Assessments are to be considered, they may be considered only at a meeting of the Directors properly noticed in accordance with Section 720.303(2), Florida Statutes.

Section 5. Powers and Duties of the Board

5.1. All of the powers and duties of the Association shall be exercised by the Board. Such powers and duties of the Board shall include, but not be limited to, all powers and duties set forth in the Black Diamond Documents, as well as all of the powers and duties of a director of a corporation not for profit.

5.2. The Association may employ a manager to perform any of the duties, powers or functions of the Association. Notwithstanding the foregoing, the Association may not delegate to the manager the power to conclusively determine whether the Association should make expenditures for capital additions or improvements chargeable against the Association fund. The members of the Board shall not be personally liable for any omission or improper exercise by the manager of any duty, power or function delegated to the manager by the Association.

Section 6. Late Fees

An Owner who fails to timely pay any Assessment shall be charged a late charge of Twenty-Five Dollars ($25) by the Association for such late Assessment. Owners shall be responsible to pay all legal fees (including, but not limited to, attorney and paralegal fees and court costs) incurred in connection with the collection of late Assessments whether or not an action at law to collect said Assessment and foreclose the Association's lien has been commenced. The Board has authorized the following initial schedule of fees for such circumstances:

(a) One Hundred Fifty Dollars ($150) for a Claim of Lien plus recording costs and sending of Notice of Intention to Foreclose;

(b) Fifty Dollars ($50) for any subsequent Claims of Lien plus recording costs;

(c) One Hundred Dollars ($100) for a Satisfaction of Lien plus recording costs; and
(d) Any further action would require an hourly computation of attorney and/or paralegal time spent pursuing collection of such unpaid Assessments.

Section 7. Officers of the Association

7.1. Executive officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by majority vote of the Directors at any meeting of the Board. The Board may, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. One person may hold any two offices simultaneously, except where the functions of such offices are incompatible, but no person shall hold the office of President and any of the following offices simultaneously: Vice President, Secretary or Assistant Secretary.

7.2. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of an association or a corporation not for profit, including, but not limited to, the power to appoint such committees from among the Members at such times as he may, in his discretion, determine appropriate to assist in the conduct of the affairs of the Association. If in attendance, the President ("Chairman") shall preside at all meetings of the Board and the Members; provided, however, that the President may appoint a substitute. The President shall be the Voting Member as set forth in the Articles and shall cast the vote for the Owners in the Community Association as he, in his sole discretion, deems appropriate.

7.3. In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President, including being the Alternate Voting Member as provided in the Articles. If more than one (1) Vice President, the Board shall designate which Vice President is to perform which duties. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First," "Second," etc., and shall exercise the powers and perform the duties of the presidency in such order.

7.4. The Secretary shall keep the minutes of all meetings of the Board and the Members, which minutes shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring such seal when duly authorized and directed to do so. The Secretary shall be custodian for the corporate records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary under the supervision of the Secretary.

7.5. The Treasurer shall have custody of all of the monies of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep the assessment rolls and accounts of the Members and shall keep the books of the Association in accordance with good accounting practices.
and he shall perform all of the duties incident to the office of the Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent and shall assist the Treasurer under the supervision of the Treasurer.

7.6. The compensation, if any, of the officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from hiring a Director as an employee of the Association or preclude the contracting with a Director or a party affiliated with a Director for the management or performance of contract services for all or any part of Black Diamond.

Section 8. Resignations

Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Lots owned by any Director or officer (other than appointees of Declarant or officers and Directors who were not owners) shall constitute a written resignation of such Director or officer.

Section 9. Accounting Records; Fiscal Management

9.1. The Association shall use the cash basis method of accounting and shall maintain accounting records in accordance with good accounting practices, which shall be open to inspection by Members and Institutional Mortgagees or their respective authorized representatives at reasonable times. Such authorization as a representative of a Member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection. Such records shall include, but not be limited to: (i) a record of all receipts and expenditures; and (ii) an account for each Contributing Lot within Black Diamond which shall designate the name and address of the Contributing Lot Owner thereof, the amount of Individual Lot Assessments and all other Assessments, if any, charged to the Contributing Lot, the amounts and due dates for payment of same, the amounts paid upon the account and the balance due; and (iii) all tax returns, financial statements and financial reports of the Association; and (iv) any other records that identify, measure, record or communicate financial information.

9.2. Subsequent to the Guarantee Period or in the absence of any Guaranteed Assessments as described in the Covenants, the Board shall adopt a Budget (as provided for in the Covenants) of the anticipated Operating Expenses for each forthcoming calendar year (the fiscal year of the Association being the calendar year) at a special meeting of the Board ("Budget Meeting") called for that purpose to be held during the month of November of the year preceding the year to which the Budget applies, provided that the first Budget Meeting is to be held: within thirty (30) days of the expiration of the Guarantee Period for purposes of adopting a Budget for the remainder of the calendar year during which the Guarantee Period expires; or (ii) prior to the completion of the first Home in the event there is no Guaranteed Assessment. Prior to the Budget Meeting, a proposed Budget for the Operating Expenses shall be prepared by or on behalf of the Board. Within thirty (30) days after adoption of the Budget, a copy thereof shall be furnished to each Member, and each Contributing Lot Owner shall be given
notice of the Individual Lot Assessment applicable to his Contributing Lot(s). The copy of the Budget shall be deemed furnished and the notice of the Individual Lot Assessment shall be deemed given upon its delivery or upon its being mailed to the Contributing Lot Owner shown on the records of the Association at his last known address as shown on the records of the Association.

9.3. In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any monies received by the Association in any calendar year may be used by the Association to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one calendar year for Operating Expenses which cover more than such calendar year; (iv) Assessments shall be made monthly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current Operating Expenses and for all unpaid Operating Expenses previously incurred; and (v) items of Operating Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, the Assessments for Operating Expenses and any periodic installments thereof shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses in any calendar year as such expenses are incurred in accordance with the cash basis method of accounting.

9.4. The Individual Lot Assessment shall be payable as provided for in the Covenants.

9.5. No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Operating Expenses not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending. Should there exist any deficiency which results from there being greater operating Expenses than monies from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a Special Assessment or an upward adjustment to the Individual Lot Assessment.

9.6. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

9.7. A report of the accounts of the Association shall be made annually by an auditor, accountant or certified public accountant and a copy of the report shall be furnished to each Member no later than the first day of April of the year following the year for which the report is made. The report shall be deemed to be furnished to the Member upon its delivery or mailing to the Member at his last known address shown on the records of the Association.

Section 10. Rules and Regulations

The Board may at any meeting of the Board adopt rules and regulations or amend, modify or rescind then existing rules and regulations for the operation of Black Diamond; provided, however, that such rules and regulations are not inconsistent with the terms or provisions of the Black Diamond Documents. Copies of any rules and regulations promulgated, amended or rescinded shall be mailed or delivered to all Members at the last known address for such Members as shown on the records of the Association at the time of such delivery or mailing and
shall not take effect until forty-eight (48) hours after such delivery or mailing. Notwithstanding the foregoing, where rules and regulations are to regulate the use of specific portions of the Recreation Property, same shall be conspicuously posted at such facility and such rules and regulations shall be effective immediately upon such posting. Care shall be taken to insure that posted rules and regulations are conspicuously displayed and easily readable and that posted signs or announcements are designed with a view towards protection from weather and the elements. Posted rules and regulations which are torn down or lost shall be promptly replaced.

Section 11. Parliamentary Rules

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of all Members and the Board; provided, however, if such rules of order are in conflict with any of the Black Diamond documents, Robert's Rules of Order shall yield to the provisions of such instrument.

Section 12. Roster of Owners

Each Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely on the accuracy of such information for all purposes until notified in writing of changes therein.

Section 13. Amendment of the Bylaws

13.1 These Bylaws may be amended as hereinafter set forth in this Section 13.

13.2. After the Turnover Date, any Bylaw of the Association may be amended or repealed, and any new Bylaw of the Association may be adopted by either:

(i) majority vote of the Members at any Annual Members' Meeting or any special meeting of the Members called for that purpose or by majority action of the Members who have acted by written response in lieu of a Meeting as permitted by these Bylaws; or

(ii) by the affirmative vote of a majority of the Directors then in office at any regular meeting of the Board or at any special meeting of the Board called for that purpose or by written instrument signed by all of the Directors as is permitted by these Bylaws, provided that the Directors shall not have any authority to adopt, amend or repeal any Bylaw if such new Bylaw or such amendment or the repeal of a Bylaw would be inconsistent with any Bylaw previously adopted by the Members.

13.3. Notwithstanding any of the foregoing provisions of this Section 13 to the contrary, until the Turnover Date, all amendments or modifications to these Bylaws and adoption or repeal of Bylaws shall only be made by action of the First Board as described in the Articles, which First Board shall have the power to amend, modify, adopt and repeal any Bylaws without the requirement of any consent, approval or vote of the Members.

13.4. Notwithstanding the foregoing provisions of this Section 13, there shall be no amendment to these Bylaws which shall abridge, amend or alter the rights of: (i) Declarant, without the prior written consent thereto by Declarant

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for so long as Declarant holds at least one (1) Lot for sale in the ordinary course of business; or (ii) any Institutional Mortgagee without the prior written consent of such Institutional Mortgagee.

13.5 Notwithstanding the foregoing provisions as long as the Class B membership exists the Federal Housing Administration has the right to veto any material amendments to these Bylaws if Black Diamond is an approved project by the Federal Housing Administration.

13.6. Any instrument amending, modifying, repealing or adding Bylaws shall identify the particular section or sections affected and give the exact language of such modification, amendment or addition or of the provisions repealed. A copy of each such amendment, modification, repeal or addition attested to by the Secretary or Assistant Secretary of the Association shall be recorded amongst the Public Records of the County.

Section 14. Interpretation

In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Covenants and these Bylaws, the Covenants shall control; and in the event of any conflict between the Articles and the Covenants, the Covenants shall control.

BLACK DIAMOND HOMEOWNERS ASSOCIATION, INC.

By: [Signature]
Craig Perry, President

Attest: [Signature]
Al Gomez, Secretary

(SEAL)
CORRECTED PERMIT

SOUTHERN FLORIDA WATER MANAGEMENT DISTRICT
ENVIRONMENTAL RESOURCE PERMIT NO. 50-04898-P
DATE ISSUED: JUNE 14, 2001

PERMITTEE: JEFFREY C AND DAVID J LEE (BLACK DIAMOND)
10750 ANTHONY GROVES ROAD, WEST PALM BEACH, FL 33414-4301
CENTERLINE HOMES, INC. (BLACK DIAMOND)
12354 WILES RD., CORAL SPRINGS, FL 33076
PROJECT DESCRIPTION: CONCEPTUAL APPROVAL AND AUTHORIZATION FOR CONSTRUCTION AND OPERATION OF A SURFACE WATER MANAGEMENT SYSTEM SERVING 233.98 ACRES OF RESIDENTIAL DEVELOPMENT KNOWN AS BLACK DIAMOND.
PROJECT LOCATION: PALM BEACH COUNTY, SECTION 112 TWP 44S RGE 41E
PERMIT DURATION: Five years from the date issued to complete construction of the surface water management system as authorized herein. See attached Rule 40E-4.321. Florida Administrative Code.

This Permit is issued pursuant to Application No. 001120-10, dated August 18, 2000. Permittee agrees to hold and save the South Florida Water Management District and its successors harmless from any and all damages, claims or liabilities which may arise by reason of the construction, operation, maintenance or use of activities authorized by this Permit. This Permit is issued under the provisions of Chapter 373, Part IV, Florida Statutes (F.S.), and the Operating Agreement Concerning Regulation Under Part IV, Chapter 373 F.S., between South Florida Water Management District and the Department of Environmental Protection. Issuance of this Permit constitutes certification of compliance with state water quality standards where necessary pursuant to Section 401, Public Law 92-500, 33 USC Section 1341, unless this Permit is issued pursuant to the net improvement provisions of Subsections 373.414(1)(b), F.S., or as otherwise stated herein.

This Permit may be transferred pursuant to the appropriate provisions of Chapter 373, F.S. and Sections 40E-1.6107(1) and (2), and 40E-4.351(1), (2), and (4), Florida Administrative Code (F.A.C.). This Permit may be revoked, suspended, or modified at any time pursuant to the appropriate provisions of Chapter 373, F.S. and Sections 40E-4.351(2), (3) and (4), F.A.C.

This Permit shall be subject to the General Conditions set forth in Rule 40E-4.381. F.A.C., unless waived or modified by the Governing Board. The Application, and the Environmental Resource Permit Staff Review Summary of the Application, including all conditions, and all plans and specifications incorporated by reference, are a part of this Permit. All activities authorized by this Permit shall be implemented as set forth in the plans, specifications, and performance criteria as set forth and incorporated in the Environmental Resource Permit Staff Review Summary. Within 30 days after completion of construction of the permitted activity, the Permittee shall submit a written statement of completion and certification by a registered professional engineer or other appropriate individual, pursuant to the appropriate provisions of Chapter 373, F.S. and Sections 40E-4.361 and 40E-4.381, F.A.C.

In the event the property is sold or otherwise conveyed, the Permittee will remain liable for compliance with this Permit until transfer is approved by the District pursuant to Rule 40E-1.6107. F.A.C.

SPECIAL AND GENERAL CONDITIONS ARE AS FOLLOWS:

SEE PAGES 2 - 4 OF 7 (22 SPECIAL CONDITIONS).
SEE PAGES 5 - 7 OF 7 (19 GENERAL CONDITIONS).

FILED WITH THE CLERK OF THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT

ON ________________________________

ORIGINAL SIGNED BY: JENNIFER KRUMLAUF

BY ________________________________

DEPUTY CLERK

SOUTH FLORIDA WATER MANAGEMENT DISTRICT, BY ITS GOVERNING BOARD

Original signed by:

Tony Burns

BY ________________________________

ASSISTANT SECRETARY

PAGE 1 OF 7

EXHIBIT "E"
SPECIAL CONDITIONS

1. MINIMUM BUILDING FLOOR ELEVATION: 18.3 FEET NGVD FOR ALL BASINS.

2. MINIMUM ROAD CROWN ELEVATION: 16.3 FEET NGVD FOR ALL BASINS.

3. DISCHARGE FACILITIES:
   BASIN: WEST BASIN:
   1-5' W X .5' H TRIANGULAR ORIFICE WITH INVERT AT ELEV. 13' NGVD.
   30 LF OF 3' DIA. RCP CULVERT.
   1-3' WIDE X 4.05' HIGH SLIDE GATE WITH INVERT AT ELEV. 11' NGVD AND
   WITH CREST AT ELEV. 15.05' NGVD.
   RECEIVING BODY : LWDD S-5 CANAL
   CONTROL ELEV : 13 FEET NGVD.

   BASIN: EAST BASIN:
   1-5' W X .5' H TRIANGULAR ORIFICE WITH INVERT AT ELEV. 13' NGVD.
   30 LF OF 2' DIA. RCP CULVERT.
   1-3' WIDE X 5.15' HIGH SLIDE GATE WITH INVERT AT ELEV. 11' NGVD AND
   WITH CREST AT ELEV. 16.15' NGVD.
   RECEIVING BODY : LWDD S-5N CANAL
   CONTROL ELEV : 13 FEET NGVD.

4. THE PERMITTEE SHALL BE RESPONSIBLE FOR THE CORRECTION OF ANY EROSION, SHOALING OR
   WATER QUALITY PROBLEMS THAT RESULT FROM THE CONSTRUCTION OR OPERATION OF THE SURFACE
   WATER MANAGEMENT SYSTEM.

5. MEASURES SHALL BE TAKEN DURING CONSTRUCTION TO INSURE THAT SEDIMENTATION AND/OR
   TURBIDITY PROBLEMS ARE NOT CREATED IN THE RECEIVING WATER.

6. THE DISTRICT RESERVES THE RIGHT TO REQUIRE THAT ADDITIONAL WATER QUALITY TREATMENT
   METHODS BE INCORPORATED INTO THE DRAINAGE SYSTEM IF SUCH MEASURES ARE SHOWN TO BE
   NECESSARY.

7. LAKE SIDE SLOPES SHALL BE NO STEEPER THAN 4:1 (HORIZONTAL:VERTICAL) TO A DEPTH OF
   TWO FEET BELOW THE CONTROL ELEVATION. SIDE SLOPES SHALL BE TOP SOILED AND
   STABILIZED THROUGH SEEDING OR PLANTING FROM 2 FEET BELOW TO 1 FOOT ABOVE THE CONTROL
   ELEVATION TO PROMOTE VEGETATIVE GROWTH.

8. FACILITIES OTHER THAN THOSE STATED HEREIN SHALL NOT BE CONSTRUCTED WITHOUT AN
   APPROVED MODIFICATION OF THIS PERMIT.

9. OPERATION OF THE SURFACE WATER MANAGEMENT SYSTEM SHALL BE THE RESPONSIBILITY OF
   BLACK DIAMOND POA, INC.. THE PERMITTEE SHALL SUBMIT A COPY OF THE RECORDED DEED
   RESTRICTIONS (OR DECLARATION OF CONDOMINIUM, IF APPLICABLE), A COPY OF THE FILED
   ARTICLES OF INCORPORATION, AND A COPY OF THE CERTIFICATE OF INCORPORATION FOR THE
   HOMEOWNERS ASSOCIATION CONCURRENT WITH THE ENGINEERING CERTIFICATION OF CONSTRUCTION
   COMPLETION.

10. PRIOR TO AUGUST 13, 2001, THE PERMITTEE SHALL PROVIDE THE DISTRICT WITH SATISFACTORY
    EVIDENCE OF A DISCLOSURE STATEMENT WHICH INFORMS PROSPECTIVE PURCHASERS THAT THE
    WATER LEVELS IN THE PROJECT'S LAKE MAY DECLINE SIGNIFICANTLY AT CERTAIN TIMES AS A
RESULT OF THE WELLFIELD PUMPAGE.

11. THE SFWMD RESERVES THE RIGHT TO REQUIRE REMEDIAL MEASURES TO BE TAKEN BY THE PERMITTEE IF WETLAND AND/OR UPLAND MONITORING OR OTHER INFORMATION DEMONSTRATES THAT ADVERSE IMPACTS TO PROTECTED, CONSERVED, INCORPORATED OR MITIGATED WETLANDS OR UPLANDS HAVE OCCURRED DUE TO PROJECT RELATED ACTIVITIES.

12. ANY FUTURE CHANGES IN LAND USE OR TREATMENT OF WETLANDS AND/OR UPLAND BUFFER/COMPENSATION AREAS MAY REQUIRE A SURFACE WATER MANAGEMENT PERMIT MODIFICATION AND ADDITIONAL ENVIRONMENTAL REVIEW BY DISTRICT STAFF. PRIOR TO THE PERMITTEE INSTITUTING ANY FUTURE CHANGES NOT AUTHORIZED BY THIS PERMIT, THE PERMITTEE SHALL NOTIFY THE SFWMD OF SUCH INTENTIONS FOR A DETERMINATION OF ANY NECESSARY PERMIT MODIFICATIONS.


14. (1) A WETLAND MITIGATION PROGRAM FOR BLACK DIAMOND (CONSTR. OF BACKBONE SWM SYSTEM) SHALL BE IMPLEMENTED IN ACCORDANCE WITH EXHIBIT(S) 4A - 4M. THE PERMITTEE SHALL PRESERVE 1.09 ACRES OF HERBACEOUS/SHRUB WETLANDS AND RESTORE/CREATE AND 13.93 ACRES OF HERBACEOUS/SHRUB WETLANDS AND ENHANCE 8.69 ACRES OF FORESTED WETLANDS AND .11 ACRE OF HERBACEOUS/SHRUB WETLANDS.

15. A WETLAND MONITORING PROGRAM AND MAINTENANCE PROGRAM SHALL BE IMPLEMENTED IN ACCORDANCE WITH EXHIBIT(S) 4A - 4M. THE MONITORING PROGRAM SHALL EXTEND FOR A PERIOD OF 5 YEARS WITH ANNUAL REPORTS SUBMITTED TO SFWMD STAFF. AT THE END OF THE FIRST MONITORING PERIOD THE MITIGATION AREA(S) SHALL CONTAIN AN 80% SURVIVAL OF PLANTED VEGETATION. THE 80% SURVIVAL RATE SHALL BE MAINTAINED THROUGHOUT THE REMAINDER OF THE MONITORING PROGRAM. AT THE END OF THE 5 YEARS MONITORING PROGRAM THE MITIGATION AREA(S) SHALL CONTAIN AN 80% SURVIVAL OF PLANTED VEGETATION AND AN 80% COVERAGE OF DESIRABLE OBLIGATE AND FACULTATIVE WETLAND SPECIES.

16. ACTIVITIES ASSOCIATED WITH IMPLEMENTATION OF THE WETLAND MITIGATION, MONITORING AND MAINTENANCE SHALL BE IN ACCORDANCE WITH THE FOLLOWING WORK SCHEDULE. ANY DEVIATION FROM THESE TIME FRAMES SHALL REQUIRE FORMAL SFWMD APPROVAL. SUCH REQUESTS MUST BE MADE IN WRITING AND SHALL INCLUDE (1) REASON FOR THE MODIFICATION; (2) PROPOSED START/FINISH DATES; AND (3) PROGRESS REPORT ON THE STATUS OF THE EXISTING MITIGATION EFFORTS.

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<tr>
<th>COMPLETION DATE</th>
<th>ACTIVITY</th>
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<tr>
<td>JULY 30, 2001</td>
<td>EXCAVATION AND GRADING MITIGATION AREA ON OR BEFORE</td>
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<td>AUGUST 13, 2001</td>
<td>SUBMITAL OF CONSERVATION EASEMENT</td>
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<td>AUGUST 30, 2001</td>
<td>PLANTING MITIGATION AREA</td>
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<td>SEPTEMBER 30, 2001</td>
<td>TIME ZERO MONITORING REPORT</td>
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<td>SEPTEMBER 30, 2002</td>
<td>FIRST MONITORING REPORT</td>
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<td>SEPTEMBER 30, 2003</td>
<td>SECOND MONITORING REPORT</td>
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<td>SEPTEMBER 30, 2004</td>
<td>THIRD MONITORING REPORT</td>
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<td>SEPTEMBER 30, 2005</td>
<td>FOURTH MONITORING REPORT</td>
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<td>SEPTEMBER 30, 2006</td>
<td>FIFTH MONITORING REPORT</td>
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17. SILT SCREENS, HAY BALES, FLOATING TURBIDITY DEVICES OR OTHER SUCH SEDIMENT CONTROL MEASURES SHALL BE UTILIZED DURING CONSTRUCTION. THE SELECTED SEDIMENT CONTROL MEASURES SHALL BE INSTALLED ADJACENT TO WETLANDS AND OTHER WATER BODIES WITHIN OR ADJACENT TO THE CONSTRUCTION AREA. THESE CONTROL MEASURES SHALL BE MAINTAINED IN GOOD WORKING CONDITION AT ALL TIMES. THE MEASURES SHALL REMAIN IN PLACE UNTIL
CONSTRUCTION ACTIVITIES HAVE BEEN COMPLETED. ALL AREAS SHALL BE STABILIZED AND VEGETATED IMMEDIATELY AFTER CONSTRUCTION TO PREVENT EROSION INTO ADJACENT WATERS.


THE EASEMENT SHALL BE FREE OF ENCUMBRANCES OR INTERESTS WHICH THE DISTRICT DETERMINES ARE CONTRARY TO THE INTENT OF THE EASEMENT. IN THE EVENT IT IS LATER DETERMINED THAT THERE ARE ENCUMBRANCES OR INTERESTS IN THE EASEMENT WHICH THE DISTRICT DETERMINES ARE CONTRARY TO THE INTENT OF THE EASEMENT, THE PERMITTEE SHALL BE REQUIRED TO PROVIDE RELEASE OR SUBORDINATION OF SUCH ENCUMBRANCES OR INTERESTS.

19. A MAINTENANCE PROGRAM SHALL BE IMPLEMENTED IN ACCORDANCE WITH EXHIBIT(S) 4A - 4M FOR THE PRESERVED WETLAND AREAS ON A REGULAR BASIS TO ENSURE THE INTEGRITY AND VIABILITY OF THE CONSERVATION AREA(S) AS PERMITTED. MAINTENANCE SHALL BE CONDUCTED IN PERPETUITY AND EVERY REASONABLE EFFORT SHALL BE MADE TO KEEP THE PRESERVE AREA FREE OF AND CONTROL EXOTIC AND NUISANCE VEGETATION AFTER EACH MAINTENANCE ACTIVITY AND NOT EXCEED 5% COVERAGE BETWEEN MAINTENANCE ACTIVITIES.

20. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION, THE PERMITTEE SHALL CONDUCT A PRE-CONSTRUCTION MEETING WITH FIELD REPRESENTATIVES, CONTRACTORS AND DISTRICT STAFF. THE PURPOSE OF THE MEETING WILL BE TO DISCUSS THE TYPE AND LOCATION OF TURBIDITY AND EROSION CONTROLS TO BE IMPLEMENTED DURING CONSTRUCTION IN ADDITION TO OTHER PERMITTING REQUIREMENTS.

21. THE SCREW GATE PROPOSED FOR THE CONTROL STRUCTURE SHALL REMAIN CLOSED AT ALL TIMES UNLESS SPECIFIC APPROVAL IS GRANTED BY THE LAKE WORTH DRAINAGE DISTRICT FOR ITS OPERATION. AT NO TIME SHALL THE GATE BE OPERATED TO BYPASS THE WATER QUALITY DETENTION REQUIREMENTS FOR THE PROJECT OR TO LOWER THE LAKE LEVELS BELOW THE PERMITTED CONTROL ELEVATION. IF FOR WHATEVER REASON IT IS DETERMINED THAT THE PERMITTEE IS NOT COMPLYING WITH THE DIRECTIVES OF THE LAKE WORTH DRAINAGE DISTRICT, AND/OR, IS OPERATING THE STRUCTURE CONTRARY TO ITS INTENDED PURPOSE AS AN EMERGENCY OUTFLOW (WHEN LWDD CANAL CONDITIONS ALLOW), THE STRUCTURE SHALL BE MODIFIED TO PERMANENTLY PREVENT ITS USE. IN ADDITION, THE SCREW GATE SHALL BE EQUIPPED WITH A LOCK MECHANISM TO PREVENT UNAUTHORIZED USE, AND A STAFF GUARD SHALL BE INSTALLED UPSTREAM OF THE STRUCTURE SO THAT LAKE LEVELS WITHIN THE PROJECT CAN BE QUICKLY DETERMINED.

22. GRASS SEED AND MULCH OR SOD SHALL BE INSTALLED AND MAINTAINED ON EXPOSED AREAS WITHIN 48 HOURS OF COMPLETING FINAL GRADE, AND AT OTHER TIMES AS NECESSARY, TO PREVENT EROSION, SEDIMENTATION OR TURBID DISCHARGES INTO RECEIVING WATERS AND/OR WETLANDS.
GENERAL CONDITIONS

1. ALL ACTIVITIES AUTHORIZED BY THIS PERMIT SHALL BE IMPLEMENTED AS SET FORTH IN THE PLANS, SPECIFICATIONS AND PERFORMANCE CRITERIA AS APPROVED BY THIS PERMIT. ANY DEVIATION FROM THE PERMITTED ACTIVITY AND THE CONDITIONS FOR UNDERTAKING THAT ACTIVITY SHALL CONSTITUTE A VIOLATION OF THIS PERMIT AND PAR IV, CHAPTER 373, F.S.

2. THIS PERMIT OR A COPY THEREOF, COMPLETE WITH ALL CONDITIONS, ATTACHMENTS, EXHIBITS, AND MODIFICATIONS SHALL BE KEPT AT THE WORK SITE OF THE PERMITTED ACTIVITY. THE COMPLETE PERMIT SHALL BE AVAILABLE FOR REVIEW AT THE WORK SITE UPON REQUEST BY THE DISTRICT STAFF. THE PERMITTEE SHALL REQUIRE THE CONTRACTOR TO REVIEW THE COMPLETE PERMIT PRIOR TO COMMENCEMENT OF THE ACTIVITY AUTHORIZED BY THIS PERMIT.

3. ACTIVITIES APPROVED BY THIS PERMIT SHALL BE CONDUCTED IN A MANNER WHICH DOES NOT CAUSE VIOLATIONS OF STATE WATER QUALITY STANDARDS. THE PERMITTEE SHALL IMPLEMENT BEST MANAGEMENT PRACTICES FOR EROSION AND POLLUTION CONTROL TO PREVENT VIOLATION OF STATE WATER QUALITY STANDARDS. TEMPORARY EROSION CONTROL SHALL BE IMPLEMENTED PRIOR TO AND DURING CONSTRUCTION, AND PERMANENT CONTROL MEASURES SHALL BE COMPLETED WITHIN 7 DAYS OF ANY CONSTRUCTION ACTIVITY. TURBIDITY BARRIERS SHALL BE INSTALLED AND MAINTAINED AT ALL LOCATIONS WHERE THE POSSIBILITY OF TRANSFERRING SUSPENDED SOLIDS INTO THE RECEIVING WATERBODY EXISTS DUE TO THE PERMITTED WORK. TURBIDITY BARRIERS SHALL REMAIN IN PLACE AT ALL LOCATIONS UNTIL CONSTRUCTION IS COMPLETED AND SOILS ARE STABILIZED AND VEGETATION HAS BEEN ESTABLISHED. ALL PRACTICES SHALL BE IN ACCORDANCE WITH THE GUIDELINES AND SPECIFICATIONS DESCRIBED IN CHAPTER 6 OF THE FLORIDA LAND DEVELOPMENT MANUAL: A GUIDE TO SOUND LAND AND WATER MANAGEMENT (DEPARTMENT OF ENVIRONMENTAL REGULATION, 1988), INCORPORATED BY REFERENCE IN RULE 40E-4.091, F.A.C. UNLESS A PROJECT-SPECIFIC EROSION AND SEDIMENT CONTROL PLAN IS APPROVED AS PART OF THE PERMIT. THEREAFTER THE PERMITTEE SHALL BE RESPONSIBLE FOR THE REMOVAL OF THE BARRIERS. THE PERMITTEE SHALL CORRECT ANY EROSION OR SHOALING THAT CAUSES ADVERSE IMPACTS TO THE WATER RESOURCES.

4. THE PERMITTEE SHALL NOTIFY THE DISTRICT OF THE ANTICIPATED CONSTRUCTION START DATE WITHIN 30 DAYS OF THE DATE THAT THIS PERMIT IS ISSUED. AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF ACTIVITY AUTHORIZED BY THIS PERMIT, THE PERMITTEE SHALL SUBMIT TO THE DISTRICT AN ENVIRONMENTAL RESOURCE PERMIT CONSTRUCTION COMMENCEMENT NOTICE FORM NO. 0960 INDICATING THE ACTUAL START DATE AND THE EXPECTED COMPLETION DATE.

5. WHEN THE DURATION OF CONSTRUCTION WILL EXCEED ONE YEAR, THE PERMITTEE SHALL SUBMIT CONSTRUCTION STATUS REPORTS TO THE DISTRICT ON AN ANNUAL BASIS UTILIZING AN ANNUAL STATUS REPORT FORM. STATUS REPORT FORMS SHALL BE SUBMITTED THE FOLLOWING JUNE OF EACH YEAR.


7. THE OPERATION PHASE OF THIS PERMIT SHALL NOT BECOME EFFECTIVE UNTIL THE PERMITTEE HAS COMPLIED WITH THE REQUIREMENTS OF CONDITION (5) ABOVE. HAS SUBMITTED A REQUEST

9. EACH PHASE OR INDEPENDENT PORTION OF THE PERMITTED SYSTEM MUST BE COMPLETED IN ACCORDANCE WITH THE PERMITTED PLANS AND PERMIT CONDITIONS PRIOR TO THE INITIATION OF THE PERMITTED USE OF SITE INFRASTRUCTURE LOCATED WITHIN THE AREA SERVED BY THAT PORTION OR PHASE OF THE SYSTEM. EACH PHASE OR INDEPENDENT PORTION OF THE SYSTEM MUST BE COMPLETED IN ACCORDANCE WITH THE PERMITTED PLANS AND PERMIT CONDITIONS PRIOR TO TRANSFER OF RESPONSIBILITY FOR OPERATION AND MAINTENANCE OF THE PHASE OR PORTION OF THE SYSTEM TO A LOCAL GOVERNMENT OR OTHER RESPONSIBLE ENTITY.

9. FOR THOSE SYSTEMS THAT WILL BE OPERATED OR MAINTAINED BY AN ENTITY THAT WILL REQUIRE AN EASEMENT OR DEED RESTRICTION IN ORDER TO ENABLE THAT ENTITY TO OPERATE OR MAINTAIN THE SYSTEM IN CONFORMANCE WITH THIS PERMIT, SUCH EASEMENT OR DEED RESTRICTION MUST BE RECORDED IN THE PUBLIC RECORDS AND SUBMITTED TO THE DISTRICT ALONG WITH ANY OTHER FINAL OPERATION AND MAINTENANCE DOCUMENTS REQUIRED BY SECTIONS 9.0 AND 10.0 OF THE BASIS OF REVIEW FOR ENVIRONMENTAL RESOURCE PERMIT APPLICATIONS WITHIN THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT - AUGUST 1995, PRIOR TO LOT OR UNIT SALES OR PRIOR TO THE COMPLETION OF THE SYSTEM, WHICHEVER OCCURS FIRST. OTHER DOCUMENTS CONCERNING THE ESTABLISHMENT AND AUTHORITY OF THE OPERATING ENTITY MUST BE FILED WITH THE SECRETARY OF STATE WHERE APPROPRIATE. FOR THOSE SYSTEMS WHICH ARE PROPOSED TO BE MAINTAINED BY THE COUNTY OR MUNICIPAL ENTITIES, FINAL OPERATION AND MAINTENANCE DOCUMENTS MUST BE RECEIVED BY THE DISTRICT WHEN MAINTENANCE AND OPERATION OF THE SYSTEM IS ACCEPTED BY THE LOCAL GOVERNMENT ENTITY. FAILURE TO SUBMIT THE APPROPRIATE FINAL DOCUMENTS WILL RESULT IN THE PERMITTEE REMAINING LIABLE FOR CARRYING OUT MAINTENANCE AND OPERATION OF THE PERMITTED SYSTEM AND ANY OTHER PERMIT CONDITIONS.

10. SHOULD ANY OTHER REGULATORY AGENCY REQUIRE CHANGES TO THE PERMITTED SYSTEM, THE PERMITTEE SHALL NOTIFY THE DISTRICT IN WRITING OF THE CHANGES PRIOR TO IMPLEMENTATION SO THAT A DETERMINATION CAN BE MADE WHETHER A PERMIT MODIFICATION IS REQUIRED.

11. THIS PERMIT DOES NOT ELIMINATE THE NECESSITY TO OBTAIN ANY REQUIRED FEDERAL, STATE, LOCAL AND SPECIAL DISTRICT AUTHORIZATIONS PRIOR TO THE START OF ANY ACTIVITY APPROVED BY THIS PERMIT. THIS PERMIT DOES NOT CONVEY TO THE PERMITTEE OR CREATE IN THE PERMITTEE ANY PROPERTY RIGHT, OR ANY INTEREST IN REAL PROPERTY, NOR DOES IT AUTHORIZE ANY ENTRANCE UPON OR ACTIVITIES ON PROPERTY WHICH IS NOT OWNED OR CONTROLLED BY THE PERMITTEE, OR CONVEY ANY RIGHTS OR PRIVILEGES OTHER THAN THOSE SPECIFIED IN THE PERMIT AND CHAPTER 40E-4 OR CHAPTER 40E-40, F.A.C.

12. THE PERMITTEE IS HEREBY ADVISED THAT SECTION 253.77, F.S. STATES THAT A PERSON MAY NOT COMMENCE ANY EXCAVATION, CONSTRUCTION, OR OTHER ACTIVITY INVOLVING THE USE OF SOVEREIGN OR OTHER LANDS OF THE STATE, THE TITLE TO WHICH IS VESTED IN THE BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND WITHOUT OBTAINING THE REQUIRED LEASE, LICENSE, EASEMENT, OR OTHER FORM OF CONSENT AUTHORIZING THE PROPOSED USE. THEREFORE, THE PERMITTEE IS RESPONSIBLE FOR OBTAINING ANY NECESSARY AUTHORIZATIONS FROM THE BOARD OF TRUSTEES PRIOR TO COMMENCING ACTIVITY ON SOVEREIGNTY LANDS OR OTHER STATE-OWNED LANDS.
13. THE PERMITTEE MUST OBTAIN A WATER USE PERMIT PRIOR TO CONSTRUCTION DEWATERING, UNLESS THE WORK QUALIFIES FOR A GENERAL PERMIT PURSUANT TO SUBSECTION 40E-20.302(4), F.A.C., ALSO KNOWN AS THE "NO NOTICE" RULE.

14. THE PERMITTEE SHALL HOLD AND SAVE THE DISTRICT HARMLESS FROM ANY AND ALL DAMAGES, CLAIMS, OR LIABILITIES WHICH MAY ARISE BY REASON OF THE CONSTRUCTION, ALTERATION, OPERATION, MAINTENANCE, REMOVAL, ABANDONMENT OR USE OF ANY SYSTEM AUTHORIZED BY THE PERMIT.

15. ANY DELINEATION OF THE EXTENT OF A WETLAND OR OTHER SURFACE WATER SUBMITTED AS PART OF THE PERMIT APPLICATION, INCLUDING PLANS OR OTHER SUPPORTING DOCUMENTATION, SHALL NOT BE CONSIDERED BINDING UNLESS A SPECIFIC CONDITION OF THIS PERMIT OR A FORMAL DETERMINATION UNDER SECTION 373.421(2), F.S., PROVIDES OTHERWISE.

16. THE PERMITTEE SHALL NOTIFY THE DISTRICT IN WRITING WITHIN 30 DAYS OF ANY SALE, CONVEYANCE, OR OTHER TRANSFER OF OWNERSHIP OR CONTROL OF A PERMITTED SYSTEM OR THE REAL PROPERTY ON WHICH THE PERMITTED SYSTEM IS LOCATED. ALL TRANSFERS OF OWNERSHIP OR TRANSFERS OF A PERMIT ARE SUBJECT TO THE REQUIREMENTS OF RULES 40E-1.6105 AND 40E-1.6107, F.A.C. THE PERMITTEE TRANSFERRING THE PERMIT SHALL REMAIN LIABLE FOR CORRECTIVE ACTIONS THAT MAY BE REQUIRED AS A RESULT OF ANY VIOLATIONS PRIOR TO THE SALE, CONVEYANCE OR OTHER TRANSFER OF THE SYSTEM.

17. UPON REASONABLE NOTICE TO THE PERMITTEE, DISTRICT AUTHORIZED STAFF WITH PROPER IDENTIFICATION SHALL HAVE PERMISSION TO ENTER, INSPECT, SAMPLE AND TEST THE SYSTEM TO INSURE CONFORMITY WITH THE PLANS AND SPECIFICATIONS APPROVED BY THE PERMIT.

18. IF HISTORICAL OR ARCHAEOLOGICAL ARTIFACTS ARE DISCOVERED AT ANY TIME ON THE PROJECT SITE, THE PERMITTEE SHALL IMMEDIATELY NOTIFY THE APPROPRIATE DISTRICT SERVICE CENTER.

19. THE PERMITTEE SHALL IMMEDIATELY NOTIFY THE DISTRICT IN WRITING OF ANY PREVIOUSLY SUBMITTED INFORMATION THAT IS LATER DISCOVERED TO BE INACCURATE.
ENVIRONMENTAL RESOURCE PERMIT

CHAPTER 40E-4 (10/95)

40E-4.321 Duration of Permits

(1) Unless revoked or otherwise modified the duration of an environmental resource permit issued under this chapter or Chapter 40E-40, F.A.C. is as follows:
   (a) For a conceptual approval, two years from the date of issuance or the date specified as a condition of the permit, unless within that period an application for an individual or standard general permit is filed for any portion of the project. If an application for an environmental resource permit is filed, then the conceptual approval remains valid until final action is taken on the environmental resource permit application. If the application is granted, then the conceptual approval is valid for an additional two years from the date of issuance of the permit. Conceptual approvals which have no individual or standard general environmental resource permit applications filed for a period of two years shall expire automatically at the end of the two year period.
   (b) For a conceptual approval filed concurrently with a development of regional impact (DRI) application for development approval (ADA) and a local government comprehensive plan amendment, the duration of the conceptual approval shall be two years from whichever one of the following occurs at the latest date:
      1. the effective date of the local government's comprehensive plan amendment.
      2. the effective date of the local government development order.
      3. the date on which the District issues the conceptual approval, or
      4. the latest date of the resoluciton of any Chapter 120.57, F.A.C., administrative proceeding or other legal appeals.
   (c) For an individual or standard general environmental resource permit, five years from the date of issuance or such amount of time as made a condition of the permit.
   (d) For a noticed general permit issued pursuant to chapter 40E-400, F.A.C., five years from the date the notice of intent to use the permit is provided to the District.

(2)(a) Unless prescribed by special permit condition, permits expire automatically according to the timeframes indicated in this rule. If application for extension is made in writing pursuant to subsection (3), the permit shall remain in full force and effect until:
   1. the Governing Board takes action on an application for extension of an individual permit, or
   2. staff takes action on an application for extension of a standard general permit.
   (b) Installation of the project outfall structure shall not constitute a vesting of the permit.

(3) The permit extension shall be issued provided that a permittee files a written request with the District showing good cause prior to the expiration of the permit. For the purpose of this rule, good cause shall mean a set of extenuating circumstances outside of the control of the permittee. Requests for extensions, which shall include documentation of the extenuating circumstances and how they have delayed this project, will not be accepted more than 180 days prior to the expiration date.

(4) Substantial modifications to Conceptual Approvals will extend the duration of the Conceptual Approval for two years from the date of issuance of the modification. For the purposes of this section, the term "substantial modification" shall mean a modification which is reasonably expected to lead to substantially different water resource or environmental impacts which require a detailed review.

(5) Substantial modifications to individual or standard general environmental resource permits issued pursuant to a permit application extend the duration of the permit for three years from the date of issuance of the modification. Individual or standard general environmental resource permit modifications do not extend the duration of a conceptual approval.

(6) Permit modifications issued pursuant to subsection 40E-4.331(2)(b), F.A.C. (letter modifications) do not extend the duration of a permit.

(7) Failure to complete construction or alteration of the surface water management system and obtain operation phase approval from the District within the permit duration shall require a new permit authorization in order to continue construction unless a permit extension is granted.

Specific authority 373.044, 373.113 F.S. Law Implemented 373.413, 373.415, 373.419, 373.426 F.S. History—New 9-3-81, Amended 1-31-82, 12-1-82, Formerly 16K-4.07(4), Amended 7-1-86, 4/20/94, Amended 7-1-86, 4/20/94, 10-3-95
LAST DATE FOR GOVERNING BOARD ACTION: JULY 12, 2001

ENVIRONMENTAL RESOURCE PERMIT STAFF REVIEW SUMMARY

I. ADMINISTRATIVE

APPLICATION NUMBER: 001120-10
PERMIT NUMBER: 50-04898-P
PROJECT NAME: BLACK DIAMOND
LOCATION: PALM BEACH COUNTY, S1.12/T44S/R41E
APPLICANT’S NAME: CENTERLINE HOMES AT BLACK DIAMOND INC

OWNER’S NAME AND ADDRESS: JEFFREY C AND DAVID J LEE
10750 ANTHONY GROVES ROAD
WEST PALM BEACH, FL 33414-4301
CENTERLINE HOMES, INC.
12534 WILES RD
CORAL SPRINGS, FL 33076

ENGINEER: SCHNARS ENGINEERING CORPORATION

II. PROJECT DESCRIPTION

PROJECT AREA: 233.58 acres DRAINAGE AREA: 233.58 acres
DISTRICT DRAINAGE BASIN: C-51
RECEIVING BODY: LWDD S-5 CANAL
CLASSIFICATION: CLASS III

PURPOSE:

This application is a request for conceptual approval of a surface water management (SWM) system serving a 227.98-acre residential community known as Black Diamond which is to include 475 single-family homes and a recreational parcel. A request for excavation of the SWM lakes, installation of control structures and grading and filling is also included with this application. The proposed surface water management (SWM) system will serve an additional 5.60 acres of State Road 7 right-of-way, bringing the total acreage served to 233.58 acres. This project will discharge to the C-51 Canal via the LWDD S-5, S-5N and S-4 Canals. Staff recommends approval of the request subject to conditions.
BACKGROUND:

This site was annexed into the Village of Wellington in 1998. The property was previously, and continues to be, within the LWDD service area.

EXISTING FACILITIES:

The project is located within the Village of Wellington, immediately west of State Road 7, south of Southern Boulevard and approximately 1/2 mile north of Forest Hill Boulevard (see Exhibit 1 for location map). The site is bounded on the west by the ACME C-8 Canal, is bisected into an east and west basin by the LWDD S-5 Canal and the LWDD S-5N Canal is located along the northeastern project boundary. The western portion of the site is currently being operated as a nursery and includes an excavated lake and a number of ditches that serve to drain the property. The ditches are connected to the LWDD S-5 Canal in three locations. The eastern portion of the site is heavily vegetated and is not currently utilized for any commercial or agricultural operation. This portion of the site is bounded on the north by the LWDD S-5 Canal and on the west by the LWDD S-5 Canal. The eastern basin does not have a distinct drainage pattern and is not physically connected to either canal.

PROPOSED FACILITIES:

Conceptual approval is requested for a surface water management (SWM) system serving a 227.98-acre residential development consisting of single-family homes development discharging to the C-51 canal via the LWDD S-5 Canal. The project has been designed to accept runoff from 53.6 acres of SR 7 right-of-way also. The applicant has requested authorization for excavation of the master SWM system lakes, rough grading and filling of the site and installation of the control structures and outfall culverts. A portion of the S-5 Canal is proposed to be culverted with a 60" RCP pipe to allow a roadway connection within the project. The site is currently, and will continue to be, partitioned into two separate and distinct basins by the S-5 Canal. The basins will be controlled at uniform elevation of 13.0' NGVD which is consistent with the maintained water level elevations in the adjacent canals. Basin 1, located west of the LWDD S-5 Canal, encompasses 194.4 acres. Basin 2 includes 39.44 acres and is located east of the S-5 Canal. A small lake proposed near the access road from SR 7 will be controlled at 15.0' NGVD by a pump in order to facilitate a waterfall entrance feature which will overflow to an adjacent lake. An impermeable barrier will be constructed along the southeastern property boundary to prevent offsite wetland impacts due to underground seepage into the SWM system.

The SWM system will provide storm attenuation and water quality treatment equivalent to 1" over the project site within the 77.83 acres of proposed lakes and submerged wetland areas. Since the wetlands and SWM lakes are contiguous within each basin, the water surface elevation will be equalized allowing the system to be analyzed as two separate basins controlled at 13.0'
NGVD. The wetland mitigation areas are surrounded by both a deep water channel (25 or 50' wide) and a nutrient berm which should serve to improve the quality of runoff directed to the on-site wetlands.

This project is located within Sub-Basin 20 of the C-51 Basin, which has a predicted 100-yr stage of 18.3' NGVD and an allowable discharge of zero. Discharge for all storms up to, and including, the 10-yr 72-hour design storm will be restricted to discharge from a single 6" by 6" inverted triangular bleeder (the minimum size per LWDD rules) within both control structures. Both control structures will incorporate a single, manually operated 3-foot wide screw gate. The SWM system has been analyzed based on a zero discharge assumption for all design storms.

The applicant's engineer has provided calculations providing reasonable assurance that this project is in compliance with the basin rule requiring no net encroachment into the floodplain and that it also meets the (zero) allowable discharge requirements. Supplemental calculations were also provided demonstrating that the SWM has sufficient excess storage capacity to compensate for C-51 Basin encroachment which may occur when the existing SR 7 roadway is expanded by two additional lanes along the project frontage.

The minimum finished floor elevation for this project is 18.30' NGVD in accordance with the C-51 Basin predicted 100-yr stage. The calculated zero discharge stages for the 100-yr 72-hr design storm are significantly lower, 15.89 and 17.11' NGVD, within the west and east basins, respectively. The minimum basin perimeter elevations are 15.01 and 16.13' NGVD, within the west and east basins, respectively.

**BASIN INFORMATION:**

<table>
<thead>
<tr>
<th>Basin</th>
<th>Area Acres</th>
<th>WSWT Elev (ft. NGVD)</th>
<th>Normal/Dry Ctrl Elev (ft. NGVD)</th>
<th>Method of Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEST BASIN</td>
<td>194.36</td>
<td>13.00</td>
<td>13</td>
<td>ADJACENT CANAL</td>
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<tr>
<td>EAST BASIN</td>
<td>39.22</td>
<td>13.00</td>
<td>13</td>
<td>CONTROL ELEVATION</td>
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3
DISCHARGE STRUCTURE INFORMATION:

Water Quality Structures:

<table>
<thead>
<tr>
<th>Basin</th>
<th>Str.</th>
<th>Bleeder Type</th>
<th>Dimensions</th>
<th>Invert Elev. (ft, NGVD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEST BASIN</td>
<td>1</td>
<td>TRIANGULAR ORIFICE</td>
<td>.5' wide X .5' high</td>
<td>13.00</td>
</tr>
<tr>
<td>EAST BASIN</td>
<td>1</td>
<td>TRIANGULAR ORIFICE</td>
<td>.5' wide X .5' high</td>
<td>13.00</td>
</tr>
</tbody>
</table>

Major Discharge Structures:

<table>
<thead>
<tr>
<th>Basin</th>
<th>Str.</th>
<th>Description</th>
<th>Crest Elev. (ft, NGVD)</th>
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</thead>
<tbody>
<tr>
<td>WEST BASIN</td>
<td>1</td>
<td>3' wide X 4.05' high slide gate</td>
<td>15.05</td>
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<tr>
<td>EAST BASIN</td>
<td>1</td>
<td>3' wide X 5.15' high slide gate</td>
<td>16.15</td>
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</table>

Discharge Culverts:

<table>
<thead>
<tr>
<th>Basin</th>
<th>Str.</th>
<th>Description</th>
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<tbody>
<tr>
<td>WEST BASIN</td>
<td>1</td>
<td>30' long, 3' dia. RCP</td>
</tr>
<tr>
<td>EAST BASIN</td>
<td>1</td>
<td>30' long, 2' dia. RCP</td>
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</tbody>
</table>

Receiving Body:

<table>
<thead>
<tr>
<th>Basin</th>
<th>Str.</th>
<th>Receiving Body</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEST BASIN</td>
<td>1</td>
<td>LWDD S-5 CANAL</td>
</tr>
<tr>
<td>EAST BASIN</td>
<td>1</td>
<td>LWDD S-5N CANAL</td>
</tr>
</tbody>
</table>

III. PROJECT EVALUATION

Discharge Rate:

This project is located within sub-basin 20 of the C-51 Basin which has an allowable discharge rate of zero. This project has been designed based on the zero discharge assumption. Both the east and west basins will utilize a 6" by 6" inverted triangular bleeder which conforms to the minimum allowable size, as specified by LWDD guidelines.
Discharge Storm Frequency: 10YR-3DAY  Design Rainfall: 11.55

<table>
<thead>
<tr>
<th>Basin</th>
<th>Allow</th>
<th>Method of</th>
<th>Design</th>
<th>Design</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Disch</td>
<td>Determination</td>
<td>Disch</td>
<td>Stage</td>
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<td>(cfs)</td>
<td></td>
<td>(cfs)</td>
<td>(ft. NGVD)</td>
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<tr>
<td>WEST BASIN</td>
<td>0</td>
<td>DISCHARGE FORMULA</td>
<td>0</td>
<td>15.01</td>
</tr>
<tr>
<td>EAST BASIN</td>
<td>0</td>
<td>DISCHARGE FORMULA</td>
<td>0</td>
<td>16.13</td>
</tr>
</tbody>
</table>

WATER QUALITY:

As shown in the table below, water quality treatment equal to 1.0 inches over the project site has been provided within the proposed wet detention ponds.

Silt fences and turbidity devices will be utilized during all onsite construction activities to protect adjacent wetland resources from silt and sediment deposition during the construction of the project. Silt fencing will be installed at the limits of construction adjacent to the preserve areas (refer to Exhibits 2A). Additionally, silt fences will be installed around the perimeter of the project prior to the commencement of any clearing or construction. Installation will be inspected by the District’s environmental compliance staff.

As required in Special Condition No. 23, the site will be stabilized within 48 hours of clearing.

<table>
<thead>
<tr>
<th>Basin</th>
<th>Treatment Method</th>
<th>Vol Req'd</th>
<th>Vol Prov'd</th>
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</thead>
<tbody>
<tr>
<td>WEST BASIN</td>
<td>77.83 acres WET DETENTION</td>
<td>19.46</td>
<td>19.46</td>
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</tbody>
</table>

ROAD DESIGN:

As shown in the following table, minimum road center lines have been set at or above the calculated design storm flood elevation.

Design Storm Freq: 5YR-1DAY  Design Rainfall: 7.00 inches

<table>
<thead>
<tr>
<th>Basin</th>
<th>Flood Elevation (ft. NGVD)</th>
<th>Minimum Centerline Elevation (ft. NGVD)</th>
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</thead>
<tbody>
<tr>
<td>WEST BASIN</td>
<td>14.08</td>
<td>16.3</td>
</tr>
<tr>
<td>EAST BASIN</td>
<td>14.73</td>
<td>16.3</td>
</tr>
</tbody>
</table>
FINISHED FLOORS:

The minimum finished floor elevation has been set at 18.30' NGVD in accordance with the predicted 100-yr stage within sub-basin 20 of the C-51 Basin. The calculated 100-yr 72-hour, zero discharge design storm stages for the east and west basins are significantly below 18.3' NGVD.

Design Storm Frequency: 100YR-3DAY    Design Rainfall: 16.00 inches

<table>
<thead>
<tr>
<th>Basin</th>
<th>Flood Elevation (ft. NGVD)</th>
<th>FEMA Elevation (ft. NGVD)</th>
<th>Minimum Design Elev (ft. NGVD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEST BASIN</td>
<td>15.89</td>
<td>r/a</td>
<td>18.3</td>
</tr>
<tr>
<td>EAST BASIN</td>
<td>17.11</td>
<td>r/a</td>
<td>18.3</td>
</tr>
</tbody>
</table>

IV. ENVIRONMENTAL ASSESSMENT

PROJECT SITE DESCRIPTION:

The project is located in suburban Wellington on the west side of S.R. 7 approximately a 1/2 mile north of Forest Hill Boulevard. A majority of the site is currently being utilized as a nursery, but the eastern portion between the LWDD S-5 Canal and S.R. 7 is undeveloped.

The site contains 4 distinct wetland areas. The wetlands are located in the eastern and southeastern portion of the project site. Two of the wetlands (W1 & W2) are located in the undeveloped portion of the site adjacent to S.R. 7. The remaining two wetlands (W3 & W4) are located within a fallow area in the southeast corner of the nursery. The wetlands range from 1.30 to 9.66 acres in size and range from isolated cypress stands to herbaceous/shrub marsh habitats. Portions of all the wetlands have been impacted by exotic vegetation such as Brazilian pepper, melaleuca and climbing fern. The wetland (W1) closest to S.R. 7 is only a portion of a larger wetland which extends offsite to the south.

The site also contains a 4.64 acre borrow pond located within the nursery portion of the project (Exhibit 2A) and is used as irrigation. The borrow pond has steep banks and little vegetation.
ENDANGERED, THREATENED & SPECIES OF SPECIAL CONCERN SUMMARY:

Although existing wetland areas may offer some perching and foraging opportunities, these areas are heavily overgrown or hydrologically impacted and offer little open space for foraging. Other than perching of avian species, no wetland-dependent endangered/threatened species or species of special concern were observed on site, and submitted information indicates that potential use of the site by such species is minimal. This permit does not relieve the applicant from complying with all applicable rules and any other agencies' requirements if in the future, endangered/threatened species or species of special concern are discovered on the site.

The proposed mitigation will enhance and restore some of the existing wetland areas, provide extensive open marsh areas and provides large lake areas. Several areas of cypress will be preserved within the mitigation area and new cypress areas will be planted. The combination should offer good perching and foraging habitat for avian species.

LEGAL/INSTITUTIONAL:

A conservation easement will be recorded over the 23.93 acres of wetlands to remain on the site as mitigation. The easement will be recorded in accordance with Exhibits 6A - 6K and Special Condition 19.

The applicant has provided two executed Performance Bonds to provide reasonable assurances that the mitigation work will be conducted. Upon issuance of the permit, these bonds will be forwarded to the Post Permit Compliance Department along with a copy of the permit. Copies of the performance bonds are attached as Exhibits 5A - 5H and they are consistent with the cost estimate provided in Exhibit 4E.

WETLAND PRESERVATION AND IMPACT SUMMARY:

The total project area is 233.58 acres in size and contains all or part of four wetlands (W1 - W4). The total acreage of onsite wetlands is 21.53 acres. Wetlands 2 - 4 are contained entirely within the project site. Wetland 1 is a large wetland that extends to the south onto an adjacent parcel. The acreage of Wetland 1 within the limits of the project is 9.66 acres. All of the wetlands have experienced some form of hydrologic alteration. The majority of the alterations are associated with the construction of previous drainage facilities, agricultural activities and construction of roadways. All of the wetlands have been impacted to differing extents by nuisance and exotic plants. The main exotic plant species observed in the wetlands are melaleuca, Brazilian pepper and climbing fern.

The applicant is proposing to impact a total of 12.23 acres (11.53 acres direct & 0.70 acres secondary) of wetlands. Portions of all 4 wetlands (10 acres) will either be preserved, restored or enhanced and included in the proposed mitigation areas. Existing wetlands to remain within the project
site are, 8.80 acres in the mitigation areas and preservation of 1.20 acres of Wetland 1 adjacent to the portion of Wetland 1 that extends offsite.

In addition to the wetland impacts, the existing 4.64 acre borrow pond will either be filled or excavated as part of the new surface water management lakes (Exhibit 2A). This will result in 4.64 acres of other surface water impacts.

To prevent hydrologic impacts to Wetland 1 from the construction of Basin 2 lakes, the applicant will place an impermeable barrier between Wetland 1 and the lakes. The location of the impermeable barrier and the typical cross-section are included in Exhibit 2B. Should the portion of Wetland 1 which extends south onto the adjacent parcel be impacted by development of that parcel, the impermeable barrier may not be required.

Since there is no offsite mitigation proposed and all of the required mitigation is being provided on the project site, there will be no unacceptable cumulative impacts to the basin. The proposed activities have been evaluated for potential secondary and cumulative impacts and to determine if the project is contrary to the public interest. Based upon the proposed project design, the District has determined that the project will not cause adverse secondary or cumulative impacts to the water resources and is not contrary to the public interest.

**MITIGATION MONITORING:**

Mitigation for the 12.23 acres of wetland impacts associated with project development will be offset by the construction of two mitigation areas (M1 & M2) on the project site. The mitigation will be a combination of creation, restoration/enhancement and preservation. The total onsite mitigation will be 23.93 acres. Mitigation areas M1 and M2 will be 4.14 and 18.59 acres respectively. Along with the two mitigation areas, 1.20 acres of Wetland 1 will be preserved adjacent to that portion of Wetland 1 extending offsite to the south.

The proposed mitigation area will consist of mixed hydric islands and herbaceous marsh systems with a series of flushing channels to promote wildlife utilization and hydration of the wetlands. Some portions of the existing onsite wetlands will remain as hydric islands, as the surrounding land is scraped down to suitable marsh elevations (11.0' to 13.0' NGVD). Further, wetland trees in areas to be impacted that are suitable for relocation will be moved to the hydric islands. Wetlands to be enhanced and restored will be cleared of exotic vegetation, scraped down as necessary and replanted. The scraped down areas will be resurfaced with suitable wetland soils and planted with appropriate wetland vegetation. A minimum 25'/maximum 50' open water channel around the mitigation areas will buffer the wetlands from adjacent residential development and reduce the possibility of human induced impacts (Exhibits 2A & 2B).
Following completion of earthwork for the wetland mitigation areas, an as-built survey of the mitigation areas will be generated and reviewed for consistency with the mitigation plan. Field evaluations will be coordinated with the District’s Post Permit Compliance staff to verify elevations and size of the mitigation areas. Once the site has been evaluated and verified, the mitigation areas will be planted.

The mitigation areas will be monitored for a period of five years with monitoring reports submitted on an annual basis in accordance with the work schedule (Special Condition No. 17) and Exhibit 4C. A time zero monitoring report will be submitted upon completion of planting (see work schedule Special Condition No. 17). In addition, desirable herbaceous species shall maintain a coverage of at least 80% and planted tree species shall maintain an 80% survivorship. Should coverages fall below the 80% coverage requirement, supplemental plantings will be required.

The mitigation areas will be managed and maintained in perpetuity. Maintenance shall include the control of nuisance and exotic plant species. Every reasonable effort shall be made during each maintenance activity to attain a 0% coverage of exotic plant species in the mitigation areas. Also, exotic and nuisance plant species shall not exceed 5% coverage between maintenance activities. For more details about the mitigation plan, monitoring and maintenance plan see Exhibit 4A - 4M.

**WETLAND INVENTORY NOTE:**

The wetland restoration and creation conducted as part of the mitigation is a combination of herbaceous and hardwood/cypress plantings. The majority of the plantings are herbaceous species with groupings of cypress, redbay and dahoon holly as islands within the mitigation area.

**WETLAND INVENTORY:**

**NEW ENTIRE PRJ-BLACK DIAMOND (CONSTR. OF BACKBONE SWM SYSTEM) ONSITE**

<table>
<thead>
<tr>
<th></th>
<th>Pre-Development</th>
<th>Post-Development</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOTAL EXISTING</td>
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</tr>
<tr>
<td>FORESTED</td>
<td>10.57</td>
<td>0</td>
</tr>
<tr>
<td>HERBACEOUS/SHRB</td>
<td>10.96</td>
<td>1.2</td>
</tr>
<tr>
<td>OSW</td>
<td>4.64</td>
<td>0</td>
</tr>
<tr>
<td>TOTALS</td>
<td>26.17</td>
<td>1.2</td>
</tr>
</tbody>
</table>
**UPLAND COMP: ** PRESERVED: N/A  ENHANCED: N/A

**WETLAND INVENTORY:**

**NEW ENTIRE PRJ-BLACK DIAMOND (SECONDARY) ONSITE**

<table>
<thead>
<tr>
<th>Pre-Development</th>
<th>Post-Development</th>
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</thead>
<tbody>
<tr>
<td>TOTAL EXISTING</td>
<td>PRESERVED UNDISTURBED IMPACTED ENHANCED RESTORED CREATED</td>
</tr>
<tr>
<td>HERBACEOUS/SHRUB</td>
<td>0 0 .7 0 0 0</td>
</tr>
<tr>
<td>TOTALS</td>
<td>0 0 .7 0 0 0</td>
</tr>
</tbody>
</table>

**SYSTEM OPERATION:**

Black Diamond Poa. Inc.

**PROPOSED LAND USE(S):**

Residential

**WATER USE PERMIT STATUS:**

A Water Use permit is not required at this time.

**POTABLE WATER SUPPLIER:**

Village Of Wellington/Acme

**WASTE WATER SYSTEM/SUPPLIER:**

Village Of Wellington/Acme
DRI STATUS:
This project is not a DRI.

SAVE OUR RIVERS:
The project is not within or adjacent to lands under consideration by the Save Our Rivers program

SWIM BASIN:
The project is not within nor does it discharge directly to a designated SWIM basin.
The property which is the subject of this permit is located in an area which may be included in the proposed Everglades Regulatory Program in the future (see Special Condition No.9).

RIGHT-OF-WAY PERMIT STATUS:
A Right-of-Way Permit is not required for this project.

ENFORCEMENT ACTIVITY:
There has been no enforcement activity associated with this application.

THIRD PARTY INTEREST:
No third party has contacted the District with concerns about this application.

WELL FIELD ZONE OF INFLUENCE:
The project is located within the zone of influence of the Village of Wellington wellfield located west of the C-8 Canal.
V. APPLICABLE LAND AREA

The land use information tabulated below includes 5.6 acres of offsite drainage from State Road 7.

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>TOTAL PROJECT</th>
<th>PREVIOUSLY PERMITTED</th>
<th>THIS PHASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ACRES</td>
<td>233.58</td>
<td>.00</td>
<td>233.58 acres</td>
</tr>
<tr>
<td>WTRM ACREAGE</td>
<td>77.83</td>
<td>.00</td>
<td>77.83 acres</td>
</tr>
<tr>
<td>PAVEMENT</td>
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<tr>
<td>BUILD COVERAGE</td>
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<tr>
<td>PERVIOUS</td>
<td>86.42</td>
<td>.00</td>
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</tr>
</tbody>
</table>
VI. STAFF RECOMMENDATION

The Staff recommends that the following be issued:

Conceptual Approval and authorization for construction and operation of a surface water management system serving 233.58 acres of residential development known as Black Diamond.

Based on the information provided, District rules have been adhered to.

Staff recommendation is for approval subject to the attached General and Special Conditions.

VII. STAFF REVIEW

NATURAL RESOURCE MANAGEMENT DEPARTMENT APPROVAL

ENVIRONMENTAL EVALUATION

R. Brent Nicholas

SUPERVISOR

Donald L. Medellin

R. Brent Nicholas

DEPARTMENT DIRECTOR:

Robert G. Robbins

DATE: 5/16/81

SURFACE WATER MANAGEMENT DEPARTMENT APPROVAL

ENGINEERING EVALUATION

James L. Fye

SUPERVISOR

Hugo A. Carter, P.E.

DEPARTMENT DIRECTOR:

Anthony M. Waterhouse, P.E.

DATE: 5/16/81
GENERAL CONDITIONS

1. ALL ACTIVITIES AUTHORIZED BY THIS PERMIT SHALL BE IMPLEMENTED AS SET FORTH IN THE PLANS, SPECIFICATIONS AND PERFORMANCE CRITERIA AS APPROVED BY THIS PERMIT. ANY DEVIATION FROM THE PERMITTED ACTIVITY AND THE CONDITIONS FOR UNDERTAKING THAT ACTIVITY SHALL CONSTITUTE A VIOLATION OF THIS PERMIT AND PART IV. CHAPTER 373, F.S.

2. THIS PERMIT OR A COPY THEREOF, COMPLETE WITH ALL CONDITIONS, ATTACHMENTS, EXHIBITS, AND MODIFICATIONS SHALL BE KEPT AT THE WORK SITE OF THE PERMITTED ACTIVITY. THE COMPLETE PERMIT SHALL BE AVAILABLE FOR REVIEW AT THE WORK SITE UPON REQUEST BY THE DISTRICT STAFF. THE PERMITTEE SHALL REQUIRE THE CONTRACTOR TO REVIEW THE COMPLETE PERMIT PRIOR TO COMMENCEMENT OF THE ACTIVITY AUTHORIZED BY THIS PERMIT.

3. ACTIVITIES APPROVED BY THIS PERMIT SHALL BE CONDUCTED IN A MANNER WHICH DOES NOT CAUSE VIOLATIONS OF STATE WATER QUALITY STANDARDS. THE PERMITTEE SHALL IMPLEMENT BEST MANAGEMENT PRACTICES FOR EROSION AND POLLUTION CONTROL TO PREVENT VIOLATION OF STATE WATER QUALITY STANDARDS. TEMPORARY EROSION CONTROL SHALL BE IMPLEMENTED PRIOR TO AND DURING CONSTRUCTION. AND PERMANENT CONTROL MEASURES SHALL BE COMPLETED WITHIN 7 DAYS OF ANY CONSTRUCTION ACTIVITY. TURBIDITY BARRIERS SHALL BE INSTALLED AND MAINTAINED AT ALL LOCATIONS WHERE THE POSSIBILITY OF TRANSFERRING SUSPENDED SOLIDS INTO THE RECEIVING WATERBODY EXISTS DUE TO THE PERMITTED WORK. TURBIDITY BARRIERS SHALL REMAIN IN PLACE AT ALL LOCATIONS UNTIL CONSTRUCTION IS COMPLETED AND SOILS ARE STABILIZED AND VEGETATION HAS BEEN ESTABLISHED. ALL PRACTICES SHALL BE IN ACCORDANCE WITH THE GUIDELINES AND SPECIFICATIONS DESCRIBED IN CHAPTER 6 OF THE FLORIDA LAND DEVELOPMENT MANUAL: A GUIDE TO SOUND LAND AND WATER MANAGEMENT (DEPARTMENT OF ENVIRONMENTAL REGULATION, 1988). INCORPORATED BY REFERENCE IN RULE 40E-4.091, F.A.C. UNLESS A PROJECT-SPECIFIC EROSION AND SEDIMENT CONTROL PLAN IS APPROVED AS PART OF THE PERMIT. THEREAFTER THE PERMITTEE SHALL BE RESPONSIBLE FOR THE REMOVAL OF THE BARRIERS. THE PERMITTEE SHALL CORRECT ANY EROSION OR SHOALING THAT CAUSES ADVERSE IMPACTS TO THE WATER RESOURCES.

4. THE PERMITTEE SHALL NOTIFY THE DISTRICT OF THE ANTICIPATED CONSTRUCTION START DATE WITHIN 30 DAYS OF THE DATE THAT THIS PERMIT IS ISSUED. AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF ACTIVITY AUTHORIZED BY THIS PERMIT, THE PERMITTEE SHALL SUBMIT TO THE DISTRICT AN ENVIRONMENTAL RESOURCE PERMIT CONSTRUCTION COMMENCEMENT NOTICE FORM NO. 0960 INDICATING THE ACTUAL START DATE AND THE EXPECTED COMPLETION DATE.

5. WHEN THE DURATION OF CONSTRUCTION WILL EXCEED ONE YEAR, THE PERMITTEE SHALL SUBMIT CONSTRUCTION STATUS REPORTS TO THE DISTRICT ON AN ANNUAL BASIS UTILIZING AN ANNUAL STATUS REPORT FORM. STATUS REPORT FORMS SHALL BE SUBMITTED THE FOLLOWING JUNE OF EACH YEAR.

6. WITHIN 30 DAYS AFTER COMPLETION OF CONSTRUCTION OF THE PERMITTED ACTIVITY, THE PERMITTEE SHALL SUBMIT A WRITTEN STATEMENT OF COMPLETION AND CERTIFICATION BY A REGISTERED PROFESSIONAL ENGINEER OR OTHER APPROPRIATE INDIVIDUAL AS AUTHORIZED BY LAW, UTILIZING THE SUPPLIED ENVIRONMENTAL
RESOURCE PERMIT CONSTRUCTION COMPLETION/CONSTRUCTION CERTIFICATION FORM NO. 0881. THE STATEMENT OF COMPLETION AND CERTIFICATION SHALL BE BASED ON ONSITE OBSERVATION OF CONSTRUCTION OR REVIEW OF ASBUILT DRAWINGS FOR THE PURPOSE OF DETERMINING IF THE WORK WAS COMPLETED IN COMPLIANCE WITH PERMITTED PLANS AND SPECIFICATIONS. THIS SUBMITTAL SHALL SERVE TO NOTIFY THE DISTRICT THAT THE SYSTEM IS READY FOR INSPECTION. ADDITIONALLY, IF DEVIATION FROM THE APPROVED DRAWINGS ARE DISCOVERED DURING THE CERTIFICATION PROCESS, THE CERTIFICATION MUST BE ACCOMPANIED BY A COPY OF THE APPROVED PERMIT DRAWINGS WITH DEVIATIONS NOTED. BOTH THE ORIGINAL AND REVISED SPECIFICATIONS MUST BE CLEARLY SHOWN. THE PLANS MUST BE CLEARLY LABELED AS "ASBUILT" OR "RECORD" DRAWING. ALL SURVEYED DIMENSIONS AND ELEVATIONS SHALL BE CERTIFIED BY A REGISTERED SURVEYOR.


8. EACH PHASE OR INDEPENDENT PORTION OF THE PERMITTED SYSTEM MUST BE COMPLETED IN ACCORDANCE WITH THE PERMITTED PLANS AND PERMIT CONDITIONS PRIOR TO THE INITIATION OF THE PERMITTED USE OF SITE INFRASTRUCTURE LOCATED WITHIN THE AREA SERVED BY THAT PORTION OR PHASE OF THE SYSTEM. EACH PHASE OR INDEPENDENT PORTION OF THE SYSTEM MUST BE COMPLETED IN ACCORDANCE WITH THE PERMITTED PLANS AND PERMIT CONDITIONS PRIOR TO TRANSFER OF RESPONSIBILITY FOR OPERATION AND MAINTENANCE OF THE PHASE OR PORTION OF THE SYSTEM TO A LOCAL GOVERNMENT OR OTHER RESPONSIBLE ENTITY.

9. FOR THOSE SYSTEMS THAT WILL BE OPERATED OR MAINTAINED BY AN ENTITY THAT WILL REQUIRE AN EASEMENT OR DEED RESTRICTION IN ORDER TO ENABLE THAT ENTITY TO OPERATE OR MAINTAIN THE SYSTEM IN CONFORMANCE WITH THIS PERMIT, SUCH EASEMENT OR DEED RESTRICTION MUST BE RECORDED IN THE PUBLIC RECORDS AND SUBMITTED TO THE DISTRICT ALONG WITH ANY OTHER FINAL OPERATION AND MAINTENANCE DOCUMENTS REQUIRED BY SECTIONS 9.0 AND 10.0 OF THE BASIS OF REVIEW FOR ENVIRONMENTAL RESOURCE PERMIT APPLICATIONS WITHIN THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT - AUGUST 1995, PRIOR TO LOT OR UNI.T SALES OR PRIOR TO THE COMPLETION OF THE SYSTEM, WHICHEVER OCCURS FIRST. OTHER DOCUMENTS CONCERNING THE ESTABLISHMENT AND AUTHORITY OF THE OPERATING ENTITY MUST BE FILED WITH THE SECRETARY OF STATE WHERE APPROPRIATE. FOR THOSE SYSTEMS WHICH ARE PROPOSED TO BE MAINTAINED BY THE
COUNTY OR MUNICIPAL ENTITIES. FINAL OPERATION AND MAINTENANCE DOCUMENTS MUST BE RECEIVED BY THE DISTRICT WHEN MAINTENANCE AND OPERATION OF THE SYSTEM IS ACCEPTED BY THE LOCAL GOVERNMENT ENTITY. FAILURE TO SUBMIT THE APPROPRIATE FINAL DOCUMENTS WILL RESULT IN THE PERMITTEE REMAINING LIABLE FOR CARRYING OUT MAINTENANCE AND OPERATION OF THE PERMITTED SYSTEM AND ANY OTHER PERMIT CONDITIONS.

10. SHOULD ANY OTHER REGULATORY AGENCY REQUIRE CHANGES TO THE PERMITTED SYSTEM, THE PERMITTEE SHALL NOTIFY THE DISTRICT IN WRITING OF THE CHANGES PRIOR TO IMPLEMENTATION SO THAT A DETERMINATION CAN BE MADE WHETHER A PERMIT MODIFICATION IS REQUIRED.

11. THIS PERMIT DOES NOT ELIMINATE THE NECESSITY TO OBTAIN ANY REQUIRED FEDERAL, STATE, LOCAL AND SPECIAL DISTRICT AUTHORIZATIONS PRIOR TO THE START OF ANY ACTIVITY APPROVED BY THIS PERMIT. THIS PERMIT DOES NOT CONVEY TO THE PERMITTEE ANY PROPERTY RIGHT, OR ANY INTEREST IN REAL PROPERTY, NOR DOES IT AUTHORIZE ANY ENTRANCE UPON OR ACTIVITIES ON PROPERTY WHICH IS NOT OWNED OR CONTROLLED BY THE PERMITTEE. OR CONVEY ANY RIGHTS OR PRIVILEGES OTHER THAN THOSE SPECIFIED IN THE PERMIT AND CHAPTER 40E-4 OR CHAPTER 40E-40, F.A.C.

12. THE PERMITTEE IS HEREBY ADVISED THAT SECTION 253.77, F.S. STATES THAT A PERSON MAY NOT COMMENCE ANY EXCAVATION, CONSTRUCTION, OR OTHER ACTIVITY INVOLVING THE USE OF SOVEREIGN OR OTHER LANDS OF THE STATE, THE TITLE TO WHICH IS VESTED IN THE BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND WITHOUT OBTAINING THE REQUIRED LEASE, LICENSE, EASEMENT, OR OTHER FORM OF CONSENT AUTHORIZING THE PROPOSED USE. THEREFORE, THE PERMITTEE IS RESPONSIBLE FOR OBTAINING ANY NECESSARY AUTHORIZATIONS FROM THE BOARD OF TRUSTEES PRIOR TO COMMENCING ACTIVITY ON SOVEREIGNTY LANDS OR OTHER STATE-OWNED LANDS.

13. THE PERMITTEE MUST OBTAIN A WATER USE PERMIT PRIOR TO CONSTRUCTION Dewatering. Unless the work qualifies for a general permit pursuant to subsection 40E-20.302(4). F.A.C., also known as the "NO NOTICE" rule.

14. THE PERMITTEE SHALL HOLD AND SAVE THE DISTRICT HARMLESS FROM ANY AND ALL DAMAGES, CLAIMS, OR LIABILITIES WHICH MAY ARISE BY REASON OF THE CONSTRUCTION, ALTERATION, OPERATION, MAINTENANCE, REMOVAL, ABANDONMENT OR USE OF ANY SYSTEM AUTHORIZED BY THE PERMIT.

15. ANY DELINEATION OF THE EXTENT OF A WETLAND OR OTHER SURFACE WATER SUBMITTED AS PART OF THE PERMIT APPLICATION, INCLUDING PLANS OR OTHER SUPPORTING DOCUMENTATION, SHALL NOT BE CONSIDERED BINDING UNLESS A SPECIFIC CONDITION OF THIS PERMIT OR A FORMAL DETERMINATION UNDER SECTION 373.421(2), F.S., PROVIDES OTHERWISE.

15. THE PERMITTEE SHALL NOTIFY THE DISTRICT IN WRITING WITHIN 30 DAYS OF ANY SALE, CONVEYANCE, OR OTHER TRANSFER OF OWNERSHIP OR CONTROL OF A PERMITTED SYSTEM OR THE REAL PROPERTY ON WHICH THE PERMITTED SYSTEM IS LOCATED. ALL TRANSFERS OF OWNERSHIP OR TRANSFERS OF A PERMIT ARE SUBJECT TO THE REQUIREMENTS OF RULES 40E-1.6105 AND 40E-1.6107, F.A.C. THE PERMITTEE
TRANSFERRING THE PERMIT SHALL REMAIN LIABLE FOR CORRECTIVE ACTIONS THAT MAY BE REQUIRED AS A RESULT OF ANY VIOLATIONS PRIOR TO THE SALE, CONVEYANCE OR OTHER TRANSFER OF THE SYSTEM.

17. UPON REASONABLE NOTICE TO THE PERMITTEE, DISTRICT AUTHORIZED STAFF WITH PROPER IDENTIFICATION SHALL HAVE PERMISSION TO ENTER, INSPECT, SAMPLE AND TEST THE SYSTEM TO INSURE CONFORMITY WITH THE PLANS AND SPECIFICATIONS APPROVED BY THE PERMIT.

18. IF HISTORICAL OR ARCHAEOLOGICAL ARTIFACTS ARE DISCOVERED AT ANY TIME ON THE PROJECT SITE, THE PERMITTEE SHALL IMMEDIATELY NOTIFY THE APPLICABLE DISTRICT SERVICE CENTER.

19. THE PERMITTEE SHALL IMMEDIATELY NOTIFY THE DISTRICT IN WRITING OF ANY PREVIOUSLY SUBMITTED INFORMATION THAT IS LATER DISCOVERED TO BE INACCURATE.
SPECIAL CONDITIONS

1. MINIMUM BUILDING FLOOR ELEVATION: 18.3 FEET NGVD FOR ALL BASINS.
2. MINIMUM ROAD CROWN ELEVATION: 16.3 FEET NGVD FOR ALL BASINS.
3. DISCHARGE FACILITIES:
   BASIN: WEST BASIN:
   1-5' W X 5' H TRIANGULAR ORIFICE WITH INVERT AT ELEV. 13' NGVD.
   30 LF OF 3' DIA. RCP CULVERT.
   1-3' WIDE X 4.05' HIGH SLIDE GATE WITH INVERT AT ELEV. 11' NGVD AND
   WITH CREST AT ELEV. 15.05' NGVD.
   RECEIVING BODY: LWDD S-5 CANAL
   CONTROL ELEV: 13 FEET NGVD.
   BASIN: EAST BASIN:
   1-5' W X 5' H TRIANGULAR ORIFICE WITH INVERT AT ELEV. 13' NGVD.
   30 LF OF 2' DIA. RCP CULVERT.
   1-3' WIDE X 5.15' HIGH SLIDE GATE WITH INVERT AT ELEV. 11' NGVD AND
   WITH CREST AT ELEV. 16.15' NGVD.
   RECEIVING BODY: LWDD S-5N CANAL
   CONTROL ELEV: 13 FEET NGVD.
4. THE PERMITTEE SHALL BE RESPONSIBLE FOR THE CORRECTION OF ANY EROSION,
   SHOALING OR WATER QUALITY PROBLEMS THAT RESULT FROM THE CONSTRUCTION OR
   OPERATION OF THE SURFACE WATER MANAGEMENT SYSTEM.
5. MEASURES SHALL BE TAKEN DURING CONSTRUCTION TO INSURE THAT SEDIMENTATION
   AND/OR TURBIDITY PROBLEMS ARE NOT CREATED IN THE RECEIVING WATER.
6. THE DISTRICT RESERVES THE RIGHT TO REQUIRE THAT ADDITIONAL WATER QUALITY
   TREATMENT METHODS BE INCORPORATED INTO THE DRAINAGE SYSTEM IF SUCH
   MEASURES ARE SHOWN TO BE NECESSARY.
7. LAKE SIDE SLOPES SHALL BE NO STEEPER THAN 4:1 (HORIZONTAL:VERTICAL) TO A
   DEPTH OF TWO FEET BELOW THE CONTROL ELEVATION. SIDE SLOPES SHALL BE TOP
   SOILED AND STABILIZED THROUGH SEEDING OR PLANTING FROM 2 FEET BELOW TO 1
   FOOT ABOVE THE CONTROL ELEVATION TO PROMOTE VEGETATIVE GROWTH.
8. FACILITIES OTHER THAN THOSE STATED HEREIN SHALL NOT BE CONSTRUCTED WITHOUT
   AN APPROVED MODIFICATION OF THIS PERMIT.
9. OPERATION OF THE SURFACE WATER MANAGEMENT SYSTEM SHALL BE THE
   RESPONSIBILITY OF BLACK DIAMOND POA, INC. THE PERMITTEE SHALL SUBMIT A
   COPY OF THE RECORDED DEED RESTRICTIONS (OR DECLARATION OF CONDOMINIUM, IF

10. PRIOR TO AUGUST 13, 2001, THE PERMITTEE SHALL PROVIDE THE DISTRICT WITH SATISFACTORY EVIDENCE OF A DISCLOSURE STATEMENT WHICH INFORMS PROSPECTIVE PURCHASERS THAT THE WATER LEVELS IN THE PROJECT’S LAKE MAY DECLINE SIGNIFICANTLY AT CERTAIN TIMES AS A RESULT OF THE WELLFIELD PUMPAGE.

11. THE SFWM RESERVES THE RIGHT TO REQUIRE REMEDIAL MEASURES TO BE TAKEN BY THE PERMITTEE IF WETLAND AND/OR UPLAND MONITORING OR OTHER INFORMATION DEMONSTRATES THAT ADVERSE IMPACTS TO PROTECTED, CONSOLIDATED, DEVELOPED OR MITIGATED WETLANDS OR UPLANDS HAVE OCCURRED DUE TO PROJECT RELATED ACTIVITIES.

12. ANY FUTURE CHANGES IN LAND USE OR TREATMENT OF WETLANDS AND/OR UPLAND BUFFER/COMPENSATION AREAS MAY REQUIRE A SURFACE WATER MANAGEMENT PERMIT MODIFICATION AND ADDITIONAL ENVIRONMENTAL REVIEW BY DISTRICT STAFF. PRIOR TO THE PERMITTEE INSTITUTING ANY FUTURE CHANGES NOT AUTHORIZED BY THIS PERMIT, THE PERMITTEE SHALL NOTIFY THE SFWM RES OF SUCH INTENTIONS FOR A DETERMINATION OF ANY NECESSARY PERMIT MODIFICATIONS.


14. (1) A WETLAND MITIGATION PROGRAM FOR BLACK DIAMOND (CONSTR. OF BACKBONE SWM SYSTEM) SHALL BE IMPLEMENTED IN ACCORDANCE WITH EXHIBIT(S) 4A - 4M. THE PERMITTEE SHALL PRESERVE 1.09 ACRES OF HERBACEOUS/SHRUB WETLANDS AND RESTORE/CREATE AND 13.93 ACRES OF HERBACEOUS/SHRUB WETLANDS AND ENHANCE 8.69 ACRES OF FORESTED WETLANDS AND .11 ACRE OF HERBACEOUS/SHRUB WETLANDS.

15. A WETLAND MONITORING PROGRAM AND MAINTENANCE PROGRAM SHALL BE IMPLEMENTED IN ACCORDANCE WITH EXHIBIT(S) 4A - 4M. THE MONITORING PROGRAM SHALL EXTEND FOR A PERIOD OF 5 YEARS WITH ANNUAL REPORTS SUBMITTED TO SFWM STAFF. AT THE END OF THE FIRST MONITORING PERIOD THE MITIGATION AREA(S) SHALL CONTAIN AN 80% SURVIVAL OF PLANTED VEGETATION. THE 80% SURVIVAL RATE SHALL BE MAINTAINED THROUGHOUT THE REMAINDER OF THE MONITORING PROGRAM. AT THE END OF THE 5 YEARS MONITORING PROGRAM THE MITIGATION AREA(S) SHALL CONTAIN AN 80% SURVIVAL OF PLANTED VEGETATION AND AN 80% COVERAGE OF DESIRABLE OBILATE AND FACULTATIVE WETLAND SPECIES.

16. ACTIVITIES ASSOCIATED WITH IMPLEMENTATION OF THE WETLAND MITIGATION, MONITORING AND MAINTENANCE SHALL BE IN ACCORDANCE WITH THE FOLLOWING WORK SCHEDULE. ANY DEVIATION FROM THESE TIME FRAMES SHALL REQUIRE FORMAL SFWM APPROVAL. SUCH REQUESTS MUST BE MADE IN WRITING AND SHALL INCLUDE (1) REASON FOR THE MODIFICATION; (2) PROPOSED START/FINISH DATES; AND (3) PROGRESS REPORT ON THE STATUS OF THE EXISTING MITIGATION EFFORTS.
COMPLETION DATE | ACTIVITY
--- | ---
JULY 30, 2001 | EXCAVATION AND GRADING MITIGATION AREA ON OR BEFORE
AUGUST 13, 2001 | SUBMITTAL OF CONSERVATION EASEMENT
AUGUST 30, 2001 | PLANTING MITIGATION AREA
SEPTEMBER 30, 2001 | TIME ZERO MONITORING REPORT
SEPTEMBER 30, 2002 | FIRST MONITORING REPORT
SEPTEMBER 30, 2003 | SECOND MONITORING REPORT
SEPTEMBER 30, 2004 | THIRD MONITORING REPORT
SEPTEMBER 30, 2005 | FOURTH MONITORING REPORT
SEPTEMBER 30, 2006 | FIFTH MONITORING REPORT

17. SILT SCREENS, HAY BALES, FLOATING TURBIDITY DEVICES OR OTHER SUCH SEDIMENT CONTROL MEASURES SHALL BE UTILIZED DURING CONSTRUCTION. THE SELECTED SEDIMENT CONTROL MEASURES SHALL BE INSTALLED ADJACENT TO WETLANDS AND OTHER WATER BODIES WITHIN OR ADJACENT TO THE CONSTRUCTION AREA. THESE CONTROL MEASURES SHALL BE MAINTAINED IN GOOD WORKING CONDITION AT ALL TIMES. THE MEASURES SHALL REMAIN IN PLACE UNTIL CONSTRUCTION ACTIVITIES HAVE BEEN COMPLETED. ALL AREAS SHALL BE STABILIZED AND VEGETATED IMMEDIATELY AFTER CONSTRUCTION TO PREVENT EROSION INTO ADJACENT WATERS.


THE EASEMENT SHALL BE FREE OF ENCUMBRANCES OR INTERESTS WHICH THE DISTRICT DETERMINES ARE CONTRARY TO THE INTENT OF THE EASEMENT. IN THE EVENT IT IS LATER DETERMINED THAT THERE ARE ENCUMBRANCES OR INTERESTS IN THE EASEMENT WHICH THE DISTRICT DETERMINES ARE CONTRARY TO THE INTENT OF THE EASEMENT, THE PERMITTEE SHALL BE REQUIRED TO PROVIDE RELEASE OR SUBORDINATION OF SUCH ENCUMBRANCES OR INTERESTS.

19. A MAINTENANCE PROGRAM SHALL BE IMPLEMENTED IN ACCORDANCE WITH EXHIBIT(S) 4A - 4M FOR THE PRESERVED WETLAND AREAS ON A REGULAR BASIS TO ENSURE THE INTEGRITY AND VIABILITY OF THE CONSERVATION AREA(S) AS PERMITTED. MAINTENANCE SHALL BE CONDUCTED IN PERPETUITY AND EVERY REASONABLE EFFORT SHALL BE MADE TO KEEP THE PRESERVE AREA FREE OF AND CONTROL EXOTIC AND NUISANCE VEGETATION AFTER EACH MAINTENANCE ACTIVITY AND NOT EXCEED 5% COVERAGE BETWEEN MAINTENANCE ACTIVITIES.

20. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION, THE PERMITTEE SHALL CONDUCT A PRE-CONSTRUCTION MEETING WITH FIELD REPRESENTATIVES, CONTRACTORS AND DISTRICT STAFF. THE PURPOSE OF THE MEETING WILL BE TO DISCUSS THE TYPE AND LOCATION OF TURBIDITY AND EROSION CONTROLS TO BE IMPLEMENTED DURING CONSTRUCTION IN ADDITION TO OTHER PERMITTING REQUIREMENTS.

21. THE SCREW GATE PROPOSED FOR THE CONTROL STRUCTURE SHALL REMAIN CLOSED AT
ALL TIMES UNLESS SPECIFIC APPROVAL IS GRANTED BY THE LAKE WORTH DRAINAGE DISTRICT FOR ITS OPERATION. AT NO TIME SHALL THE GATE BE OPERATED TO BYPASS THE WATER QUALITY DETENTION REQUIREMENTS FOR THE PROJECT OR TO LOWER THE LAKE LEVELS BELOW THE PERMITTED CONTROL ELEVATION. IF FOR WHATEVER REASON IT IS DETERMINED THAT THE PERMITTEE IS NOT COMPLYING WITH THE DIRECTIVES OF THE LAKE WORTH DRAINAGE DISTRICT, AND/OR, IS OPERATING THE STRUCTURE CONTRARY TO ITS INTENDED PURPOSE AS AN EMERGENCY OUTFLOW (WHEN LWDD CANAL CONDITIONS ALLOW), THE STRUCTURE SHALL BE MODIFIED TO PERMANENTLY PREVENT ITS USE. IN ADDITION, THE SCREW GATE SHALL BE EQUIPPED WITH A LOCK MECHANISM TO PREVENT UNAUTHORIZED USE, AND A STAFF GAUGE SHALL BE INSTALLED UPSTREAM OF THE STRUCTURE SO THAT LAKE LEVELS WITHIN THE PROJECT CAN BE QUICKLY DETERMINED.

22. GRASS SEED AND MULCH OR SOD SHALL BE INSTALLED AND MAINTAINED ON EXPOSED AREAS WITHIN 48 HOURS OF COMPLETING FINAL GRADE. AND AT OTHER TIMES AS NECESSARY, TO PREVENT EROSION. SEDIMENTATION OR TURBID DISCHARGES INTO RECEIVING WATERS AND/OR WETLANDS.
Centerline Homes Black Diamond, Village of Wellington, Palm Beach County; SFWMD File #001112-10, ACOE File #200100115 (IP-RM)

Wetland Mitigation Plan

The wetland mitigation plan for the Centerline Homes Black Diamond project includes the onsite enhancement, creation, restoration and preservation of a total of 23.93 acres of drained historic wetlands and altered agricultural land. This includes the removal of exotic and undesirable vegetation, the lowering of the ground elevations and replacement with suitable wetland soils and vegetation.

The proposed mitigation areas will consist of a mixed hydric island and herbaceous marsh system with a series of flushing channels to promote wildlife utilization. Some of the existing wetlands onsite will remain as hydric islands (13.0 to 15.0 NGVD) as the surrounding land is scraped to suitable marsh elevations (11.0 to 13.0 NGVD). Further, wetland trees in areas to be impacted that are suitable for relocation will be moved to the hydric islands. Wetlands to be enhanced and restored will be cleaned of exotic vegetation by hand removal and chipping of the debris. The scraped areas will be resurfaced with suitable wetland soils and planted with vegetation as outlined in the Wetland Mitigation Area Proposed Planting Plan.

The Baseline Mitigation Monitoring Report will be conducted following removal of the invasive exotic vegetation and replacement of the wetland soils but before beginning mitigation area planting and will be provided to SFWMD and ACOE. Site visits will be scheduled with SFWMD and ACOE staff according to the attached mitigation schedule.

The wetland mitigation enhancement and restoration efforts will begin in May 2001 with the removal of invasive and exotic vegetation onsite. The onsite wetland creation work will begin in June 2001 with the scraping and re-mucking of the creation and restoration area. Wetland mitigation area earthwork will continue until approximately August 2001.

Following completion of the wetland mitigation area earthwork for the mitigation area, an as built survey of the area will be generated and reviewed for consistency with the mitigation plan. Field evaluations will be requested from SFWMD and ACOE compliance staff. Following the field evaluations and confirmation that the wetland mitigation area is at projected elevations the mitigation area will be planted in August 2001 according to the Wetland Mitigation Area Planting Plan, see attached plan. The Time Zero mitigation monitoring report will be filed in September 2001.

Maintenance and monitoring of the wetland mitigation area will begin at the Time Zero Mitigation Monitoring Report and continue for a period of five years. Following the acceptance of the mitigation area and the Time Zero Monitoring Report, the five-year mitigation area maintenance and monitoring phase, and all subsequent maintenance of the mitigation area, will be transferred to the Property Owners Association.
<table>
<thead>
<tr>
<th>Common Name</th>
<th>Scientific Name</th>
<th>- Spacing</th>
<th># Plants</th>
<th>Community Designation</th>
<th>~ Elevation Range NGVD</th>
<th>Plant Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>cypress</td>
<td>Taxodium spp.</td>
<td>Clumps 10 ft. OC</td>
<td>150</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>7 gallon</td>
</tr>
<tr>
<td>cypress</td>
<td>Taxodium spp.</td>
<td>Clumps 10 ft. OC</td>
<td>350</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>3 gallon</td>
</tr>
<tr>
<td>sweet bay</td>
<td>Magnolia virginiana</td>
<td>Clumps 10 ft. OC</td>
<td>200</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>3 gallon</td>
</tr>
<tr>
<td>dahoon holly</td>
<td>Ilex cassine</td>
<td>Clumps 10 ft. OC</td>
<td>200</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>3 gallon</td>
</tr>
<tr>
<td>Fakahatchee grass</td>
<td>Tripsacum dactyloides</td>
<td>5 ft. OC</td>
<td>400</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>1 gallon</td>
</tr>
<tr>
<td>cord grass</td>
<td>Spartina bakerii</td>
<td>5 ft. OC</td>
<td>200</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>1 gallon</td>
</tr>
<tr>
<td>coco plum</td>
<td>Chrysobalanus icaco</td>
<td>5 ft. OC</td>
<td>400</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>1 gallon</td>
</tr>
<tr>
<td>swamp fern</td>
<td>Blechnum serrulatum</td>
<td>3 ft. OC</td>
<td>1000</td>
<td>Hydric Islands</td>
<td>13.0 – 15.0</td>
<td>bare root</td>
</tr>
<tr>
<td>beak rush</td>
<td>Rhynchospora spp.</td>
<td>24 in. OC</td>
<td>27,500</td>
<td>Marsh</td>
<td>11.0 – 13.0</td>
<td>bare root</td>
</tr>
<tr>
<td>spike rush</td>
<td>Eleocharis spp.</td>
<td>24 in. OC</td>
<td>55,000</td>
<td>Marsh</td>
<td>11.0 – 13.0</td>
<td>bare root</td>
</tr>
<tr>
<td>alligator flag</td>
<td>Thalia spp.</td>
<td>24 in. OC</td>
<td>22,000</td>
<td>Marsh</td>
<td>11.0 – 13.0</td>
<td>bare root</td>
</tr>
<tr>
<td>pickerel weed</td>
<td>Pontederia cordata</td>
<td>24 in. OC</td>
<td>55,000</td>
<td>Marsh</td>
<td>11.0 – 13.0</td>
<td>bare root</td>
</tr>
<tr>
<td>duck potato</td>
<td>Sagittaria spp.</td>
<td>24 in. OC</td>
<td>55,000</td>
<td>Marsh</td>
<td>11.0 – 13.0</td>
<td>bare root</td>
</tr>
<tr>
<td>spatterdock</td>
<td>Nuphar luteum</td>
<td>24 in. OC</td>
<td>2,750</td>
<td>Marsh/Channels</td>
<td>9.0 – 11.0</td>
<td>bare root</td>
</tr>
</tbody>
</table>

**Total Trees, Shrubs & Transitional Herbs:** 2,900

**Total Herbaceous Wetland Plants:** 217,250

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A:\Black Diamond Mit Plant Plan.doc
Created on 3/14/01 2:37 PM
Last Revision Date 3/15/01

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J.J. GOLDASICH AND ASSOCIATES, INC. — EXHIBIT 4B
<table>
<thead>
<tr>
<th>Completion Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2001</td>
<td>Remove invasive exotic and undesirable vegetation as listed as Category I species by the Florida Exotic Pest Plant Council (FPPC). The vegetation will be removed or killed in place depending upon the most ecologically sensitive procedure.</td>
</tr>
<tr>
<td>May 2001</td>
<td>Onsite Meeting with SFWMD and ACOE for preliminary mitigation area inspection.</td>
</tr>
<tr>
<td>June 2001</td>
<td>Earthwork phase of the project will begin as the mitigation areas and lakes are scraped and graded according to the permit.</td>
</tr>
<tr>
<td>August 2001</td>
<td>Native wetland trees and shrubs that have been isolated and root pruned and will be relocated from impact areas to the hydric islands within the mitigation areas. The wetland mitigation areas will be planted according to the attached Wetland Mitigation Area Planting Plan.</td>
</tr>
<tr>
<td>August 2001</td>
<td>In field establish permanent transects, photo reference stations and staff gauge locations (per sketch).</td>
</tr>
<tr>
<td>September 2001</td>
<td>Time Zero Mitigation Monitoring Report filed with SFWMD and ACOE.</td>
</tr>
<tr>
<td>September 2002</td>
<td>First Annual Mitigation Monitoring Report filed with SFWMD and ACOE. The report will include data from quarterly monitoring events for wetland parameters and monthly staff gauge readings as previously outlined in the Mitigation Plan.</td>
</tr>
<tr>
<td>September 2003</td>
<td>Second Annual Mitigation Monitoring Report filed with SFWMD and ACOE. The report will include data from quarterly monitoring events for wetland parameters and monthly staff gauge readings as previously outlined in the Mitigation Plan.</td>
</tr>
<tr>
<td>October 2003</td>
<td>Onsite evaluation of mitigation area with SFWMD and ACOE staff.</td>
</tr>
<tr>
<td>September 2004</td>
<td>Third Annual Mitigation Monitoring Report filed with SFWMD and ACOE. The report will include data from quarterly monitoring events for wetland parameters and monthly staff gauge readings as previously outlined in the Mitigation Plan.</td>
</tr>
<tr>
<td>September 2005</td>
<td>Fourth Annual Mitigation Monitoring Report filed with SFWMD and ACOE. The report will include data from quarterly monitoring events for wetland parameters and monthly staff gauge readings as previously outlined in the Mitigation Plan.</td>
</tr>
<tr>
<td>October 2005</td>
<td>Onsite evaluation of mitigation area with SFWMD and ACOE staff.</td>
</tr>
<tr>
<td>September 2006</td>
<td>Fifth Annual Mitigation Monitoring Report filed with SFWMD and ACOE. The report will include data from quarterly monitoring events for wetland parameters and monthly staff gauge readings as previously outlined in the Mitigation Plan.</td>
</tr>
</tbody>
</table>
Centerline Homes Black Diamond, SFWMD Application #001112-10; USACOE Application #200100115 (IP-RM)

Wetland Mitigation Area Monitoring and Maintenance Plan

The wetland mitigation area monitoring events will begin at the Time Zero event and continue for a period of five years. The wetland mitigation area will be monitored quarterly for planting success (80% or greater survival rate), amount of desirable wetland plant recruitment, wildlife utilization, exotic (as listed by the Exotic Pest Plant Council (EPPC)) and undesirable vegetation encroachment and physio-chemical conditions. In addition, the wetland mitigation area staff gauges will be read on a bi-weekly basis for the five-year monitoring period.

The staff gauges will be installed according to the attached permit sketches but will generally be as follows: One gauge will be installed in the southeast corner of the eastern mitigation area and one gauge will be installed in the northern tip of the southern mitigation area. In addition to staff gauge readings, all field evaluations will include the review and identification of indirect indicators of hydrology. Rainfall totals will be from the closest existing local station and will be included in the annual monitoring report provided to SFWMD and ACOE. The rainfall totals will be obtained on the same schedule as the staff gauge readings as previously discussed in this Wetland Mitigation Area Monitoring and Maintenance Plan.

Pedestrian transects will be conducted during all quarterly site evaluations. Each quarterly monitoring event will include photographic documentation of existing conditions in the wetland mitigation area. The field transects, staff gauges, wildlife utilization and photographic reference points will be monitored and maintained throughout the five-year monitoring and maintenance period.

The results of the quarterly field evaluations will assist in identifying the progressive condition of the mitigation area and the impact of the hydrologic improvements resulting from the project. All monitoring event data will be utilized by maintenance crews as necessary to provide the most effective treatment of undesirable vegetation should encroachment occur. This will ensure that the undesirable vegetation will be controlled prior to establishment and seed set. Further, the results of the quarterly monitoring events and the treatment procedures will be included in the mitigation area monitoring reports, which will be provided to SFWMD and ACOE annually.

All (100%) invasive exotic plants (as defined by EPPC) will be removed or killed (depending upon the most ecologically sensitive technique) in-place during the initial wetland construction, restoration and enhancement phase of the mitigation project. The elimination of the exotic vegetation will be coordinated with the SFWMD and ACOE to provide the most appropriate control mechanism to protect the mitigation area and provide the highest quality wetland system. Subsequent regrowth of the invasive exotic and undesirable vegetation will be maintained at or below five percent (5%) coverage of the wetland mitigation area.

Perpetual maintenance will be implemented as part of the long-term maintenance plan. The applicant will conduct the initial five years of the plan and the subsequent maintenance efforts. This maintenance will help ensure that the conservation easement areas of the project will be maintained free from invasive exotic vegetation and nuisance plants according to the previously described criteria in perpetuity.

E:\Black Diamond\Black Diamond - Monitoring and Maintenance Plan2.doc
Created on 5/8/2001 9:47 AM
Revision Date 5/8/01

J.J. GOLDASICH AND ASSOCIATES, INC.

EXHIBIT 4D
## Wetland Mitigation Area Cost Estimate

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earthwork – Onsite and Offsite Mitigation Area Related</td>
<td>$160,000.00</td>
</tr>
<tr>
<td>Earthwork</td>
<td></td>
</tr>
<tr>
<td>Suitable Wetland Plant Purchase and Installation</td>
<td>$40,000.00</td>
</tr>
<tr>
<td>Baseline Monitoring Report</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Time Zero Monitoring Report</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Annual Reports, Five annual reports will be provided to SFWMD and ACOE at a cost of $2,000.00 each.</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>Five Year Maintenance</td>
<td>$100,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$326,000.00</strong></td>
</tr>
</tbody>
</table>

## Proposed Agency Bond Amounts:

<table>
<thead>
<tr>
<th>Bond</th>
<th>Earthwork</th>
<th>$206,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Suitable Wetland Plant Purchase and Installation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Two Baseline Reports</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Two Time Zero Reports</td>
<td></td>
</tr>
<tr>
<td>Bond 2</td>
<td>Annual Reports</td>
<td>$120,000.00</td>
</tr>
<tr>
<td></td>
<td>Five Year Maintenance</td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>Direct total without 10% SFWMD increase</td>
<td>$326,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>110% of Cost Estimate</td>
<td>$358,600.00</td>
</tr>
</tbody>
</table>
Typical Wetland Cross Section A-A

East Mitigation Area

Entrance Road

~65' Slope

Deep Water Buffer
(50' Ave.)
Elev. ~2.5 NGVD

Herbaceous Marsh
Elev. 11.0-13.0 NGVD

Mesic Tree Island
Elev. 13.0-15.0

Herbaceous Marsh
Elev. 11.0-13.0 NGVD

Deep Water Buffer
(50' Ave.)
Elev. ~2.5 NGVD

28' Slope

Rear Lot Line

Total Length = 300 feet

EXHIBIT 4G
LWDD S-5 Canal

Entrance Road

Note that this represents a typical planting zone plan, and may require alteration during construction to accommodate site engineering modifications.

The hydric islands will be planted with cypress, sweet bay and dahoon holly 10 ft. on center, and with Fakahatchee grass, cord grass, cocoplum and swamp fern 5 ft. on center. Spatterdock will be installed in some portions of the flushing channels.
LWDD S-5 Canal

Entrance Road

EXHIBIT

Black Diamond
Proposed Typical Monitoring Transect & Photo Station Plan
East Mitigation Area
Sections 1 & 12, Township 44, Range 41
Village of Wellington, Palm Beach County, Florida

DATE
April 10, 2001

REVISION # 1 OF 2

JJ Goldasich & Associates, Incorporated
(561) 883-9555 Fax (561) 883-0054
Typical Wetland Cross Section B-B
South Mitigation Area

Water Control Elevation
13.0 NGVD

Nutrient Berm

EXHIBIT 4

Black Diamond
Professional Wetland Scientists
Environmental Consultation & Permitting

Typical Wetland Cross Section B-B
Sections 1 & 12, Township 44, Range 41
Village of Wellington, Palm Beach County, Florida

Date                Revision    Sheet
January 25, 2001    4            4 OF 4

J. J. Goldasich & Associates, Incorporated
(561) 883-9555 FAX (561) 883-0054
*Note that this represents a typical planting zone plan, and may require alteration during construction to accommodate site engineering modifications.

The hydric islands will be planted with cypress, sweet bay and dahoon holly 10 ft. on center, and with Fakahatchee grass, cord grass, cocoplum and swamp fern 5 ft. on center. Spatterdock will be installed in some portions of the flushing channels.
STATE OF FLORIDA

PERFORMANCE BOND
TO DEMONSTRATE FINANCIAL ASSURANCE

Date Bond executed: April 12, 2001

Effective date: April 12, 2001

Principal: Centerline Homes, Inc.

Legal Name and Business Address of Principal
12534 Wiles Road
Coral Springs, FL 33076

Type of Organization: Corporation

State of Incorporation: Florida

License and Registration: The Surety is licensed and registered in the State of Florida.

Surety(ies): XL Specialty Insurance Company

Name(s) and Business Address(es)
210 University Drive, Ste 209
Coral Springs, FL 33071

Scope of coverage: Mitigation, maintenance and monitoring pursuant to the requirements of permit number 001112-10 issued by the South Florida Water Management District ("District") including the plans approved by said permit. Black Diamon Annual Reports (Mitigation)

Total penal sum of Bond: $132,000.00

Surety's Bond number: 1043163

Period of Coverage: This Bond shall continue to be effective until notification of final release by the District. The District shall provide this notification of final release within 30 days of determining the
mitigation is successful in accordance with subsection 43.6, B.O.R., incorporated by reference into Rule 40E.4.091, Florida Administrative Code.

KNOW ALL PERSONS BY THESE PRESENTS, that we, the Principal and Surety(ies) hereunto are firmly bound to the District in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally; provided that, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

NOW, THEREFORE, the conditions of the obligation are such that if the Principal shall successfully complete mitigation, maintenance and monitoring to the satisfaction of the District which this Performance Bond ("Bond") guarantees, as required by District permit number 001112-10 and the plans approved by such permit, as such permit and plans may be amended, pursuant to all applicable laws, statutes, rules, and regulations, as such laws, statutes, rules, and regulations may be amended.

Or, if the Principal shall provide alternate financial assurance, as specified in the administrative rules of the District, and obtain the District's written approval of such assurance, within 90 days after the date notice of cancellation is received by both the Principal and the District from the Surety(ies), then this obligation shall be null and void, otherwise it is to remain in full force and effect.

The Surety(ies) shall become liable on this Bond obligation only when the Principal has failed to fulfill the conditions described above.

Upon notification by the Director of the Natural Resource Management Department of the District that the Principal has been found in violation of the requirements of permit number 001112 by failing to perform the mitigation, maintenance and monitoring activities for which this Bond guarantees performance, the Surety(ies) shall, within 60 days of receiving such notice, either perform such construction and implementation in accordance with the permit and other permit requirements and pursuant to the written directions of the District, or place the Bond amount guaranteed for the Annual Report Black Diamor mitigation, maintenance and monitoring (the total penal sum of this Bond) into a standby trust fund as directed by the District.

Upon notification by the Director of the Department of Resource Management of the District that the Principal has failed to provide alternate financial assurance and obtain written approval of such assurance from the District during the 90 days following receipt by both the Principal and the District of a notice of cancellation of the Bond, the Surety(ies) shall place funds in the amount guaranteed for the mitigation, maintenance and monitoring (the total penal sum of this Bond) into a standby trust fund as directed by the District.

The Surety(ies) hereby waive(s) notification of amendments to the Black Diamor mitigation plans, permits, applicable laws, statutes, rules, and regulations and agree(s) that no such amendment shall in any way alleviate its (their) obligation on this Bond.

EXHIBIT 5B
The liability of the Surety(ies) shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum shown on the face of the Bond, but in no event shall the obligation of the Surety(ies) hereunder exceed the amount of said penal sum.

The Principal may terminate this Bond by sending written notice to the Surety(ies); provided, however, that no such notice shall become effective until the Surety(ies) receive(s) written authorization for termination of the Bond by the District.

Principal and Surety(ies) hereby agree to adjust the penal sum of the Bond every two years so that it guarantees increased or decreased mitigation, maintenance and monitoring cost provided that no decrease in the penal sum takes place without the written permission of the District.

IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this Bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby certify that they are authorized to execute this Bond on behalf of the Principal and Surety(ies).

**PRINCIPAL**
Centerline Homes, Inc.

**SIGNATURE**

**CORPORATE SURETY(IES)**
XL Specialty Insurance Company

**NAME AND ADDRESS**

**ILLINOIS**

**STATE OF INCORPORATION**

**LIMITED LIABILITY $1,320,000.00**

**SIGNATURE**

Robert Barra, Attorney In Fact & Florida

**TYPE NAME AND TITLE**
Resident Agent

Corporate Seal

Corporate Seal

A:\Performance Bond Pin Assur.doc

A:\Performance Bond Pin Assur.
LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the XL SPECIALTY INSURANCE COMPANY, a corporation organized and existing by virtue of the laws of the State of Illinois ("Company" or "Corporation"), does hereby nominate, constitute and appoint, Bob Barra as an employee of Bob Barra Bonds, Inc., its true and lawful Attorney(s)-in-fact to make, execute, attest, seal and deliver for and on its behalf, as surety, and as its act and deed, where required, any and all bonds, undertakings, recognizances and written obligations in the nature thereof, the penal sum of no one of which is in any event to exceed $5,000,000.00 as required by Surety Obligees.

Such bonds and undertakings, when duly executed by the aforesaid Attorney(s)-in-fact shall be binding upon the said Company as fully and to the same extent as if such bonds and undertakings were signed by the President and Secretary of the Company and sealed with its corporate seal.

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company on the 5th day of December, 1998:

"RESOLVED. That the President, or any Vice President of the Company or any person designated by any one of them is hereby authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of the Company, bonds, undertakings and all contracts of suretyship, and that any Secretary or any Assistant Secretary of the Company be, and that each or any of them hereby is authorized to attest the execution of any such Power of Attorney, and to attach thereto the Seal of the Company.

FURTHER RESOLVED. That the signature of such officers and the Seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be thereafter valid and binding upon the Company with respect to any bond, undertaking or contract of suretyship to which it is attached."

Bonds executed under this Power of Attorney may be executed under facsimile signature and seal pursuant to the following Resolution adopted by the Board of Directors of the Company on August 7, 1997:

"RESOLVED. That the signature of Stanley A. Galanski, as President of this Corporation, and the seal of this Corporation may be affixed or printed in any and all bonds, undertakings, recognizances, or other written obligations thereby, or any revocation of any Power of Attorney, or on any certificate relating thereto, by facsimile, and any Power of Attorney, any revocation of any Power of Attorney, bonds, undertakings, recognizances, certificate or other written obligation, bearing such facsimile signature or facsimile seal shall be valid and binding upon the Corporation."

IN WITNESS WHEREOF, the XL SPECIALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this 3rd day of January, 2000

XL SPECIALTY INSURANCE COMPANY

BY:

Stanley A. Galanski

President

Attest:

SECRETARY

STATE OF ILLINOIS
COUNTY OF COOK

On this 3rd day of January, 2000, before me personally came Stanley A. Galanski to me known, who, being duly sworn, did depose and say that he is President of the Corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto by order and authority of the Board of Directors of said Company, and that he executed the said instrument by like order and authority:

Notary Public

STATE OF ILLINOIS
COUNTY OF COOK

I, Ben M. Llaneta, Secretary of the XL SPECIALTY INSURANCE COMPANY, a corporation of the State of Illinois, do hereby certify that the above and foregoing is a full, true and correct copy of Power of Attorney issued by said Company, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked

IN WITNESS WHEREOF, I have hereto set my hand and affixed the seal of said Company, at the City of Schaumburg, this 12th day of April, 2001.

SECRETARY

EXHIBIT 5D
STATE OF FLORIDA

PERFORMANCE BOND
TO DEMONSTRATE FINANCIAL ASSURANCE

Date Bond executed: April 12, 2001
Effective date: April 12, 2001

Principal: Centerline Homes, Inc.
Legal Name and Business Address of Principal
12534 Miles Road
Coral Springs, FL 33076

Type of Organization:
- [ ] Individual
- [ ] Joint Venture
- [ ] Partnership
- [x] Corporation

State of Incorporation: Florida

License and Registration: The Surety is licensed and registered in the State of Florida.

Surety(ies): XL Specialty Insurance Company
Name(s) and Business Address(es)
210 University Drive, Ste 209
Coral Springs, FL 33071

Scope of coverage: Mitigation, maintenance and monitoring pursuant to the requirements of permit number 001112 issued by the South Florida Water Management District ("District") including the plans approved by said permit. Black Diamond Wetland Plant Purchase & Installation

Total penal sum of Bond: $226,600.00

Surety's Bond number: 1043164

Period of Coverage: This Bond shall continue to be effective until notification of final release by the District. The District shall provide this notification of final release within 30 days of determining the

EXHIBIT 5E
mitigation is successful in accordance with subsection 4.3.6, B.O.R., incorporated by reference into Rule 40E-4.091, Florida Administrative Code.

KNOW ALL PERSONS BY THESE PRESENTS, that we, the Principal and Surety(ies) hereto are firmly bound to the District in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally; provided that, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

NOW, THEREFORE, the conditions of the obligation are such that if the Principal shall successfully complete mitigation, maintenance and monitoring to the satisfaction of the District which this Performance Bond ("Bond") guarantees, as required by District permit number 001112-10 and the plans approved by such permit, as such permit and plans may be amended, pursuant to all applicable laws, statutes, rules, and regulations, as such laws, statutes, rules, and regulations may be amended.

Or, if the Principal shall provide alternate financial assurance, as specified in the administrative rules of the District, and obtain the District's written approval of such assurance, within 90 days after the date notice of cancellation is received by both the Principal and the District from the Surety(ies), then this obligation shall be null and void, otherwise it is to remain in full force and effect.

The Surety(ies) shall become liable on this Bond obligation only when the Principal has failed to fulfill the conditions described above.

Upon notification by the Director of the Natural Resource Management Department of the District that the Principal has been found in violation of the requirements of permit number 001112-10 by failing to perform the mitigation, maintenance and monitoring activities for which this Bond guarantees performance, the Surety(ies) shall, within 60 days of receiving such notice, either perform such construction and implementation in accordance with the permit and other permit requirements and pursuant to the written directions of the District, or place the Bond amount guaranteed for the mitigation, maintenance and monitoring (the total penal sum of this Bond) into a standby trust fund as directed by the District.

Upon notification by the Director of the Department of Resource Management of the District that the Principal has failed to provide alternate financial assurance and obtain written approval of such assurance from the District during the 90 days following receipt by both the Principal and the District of a notice of cancellation of the Bond, the Surety(ies) shall place funds in the amount guaranteed for the mitigation, maintenance and monitoring (the total penal sum of this Bond) into a standby trust fund as directed by the District.

The Surety(ies) hereby waive(s) notification of amendments to the mitigation plans, permits, applicable laws, statutes, rules, and regulations and agree(s) that no such amendment shall in any way alleviate its (their) obligation on this Bond.
The liability of the Surety(ies) shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum shown on the face of the Bond, but in no event shall the obligation of the Surety(ies) hereunder exceed the amount of said penal sum.

The Principal may terminate this Bond by sending written notice to the Surety(ies); provided, however, that no such notice shall become effective until the Surety(ies) receive(s) written authorization for termination of the Bond by the District.

Principal and Surety(ies) hereby agree to adjust the penal sum of the Bond every two years so that it guarantees increased or decreased mitigation, maintenance and monitoring cost provided that no decrease in the penal sum takes place without the written permission of the District.

IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this Bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby certify that they are authorized to execute this Bond on behalf of the Principal and Surety(ies).

PRINCIPAL
Centerline Homes, Inc.

Signature

Type, Name and Title

CORPORATE SURETY(IES)
For each co-surety provide the following:

XL Specialty Insurance Company
Name and Address

Illinois
State of Incorporation

Endorse Limit $ 225,000.00

Signature

Robert Barra, Attorney In Fact & Florida
Type Name and Title

Resident Agent

Corporate Seal

A: Performance Bond Pin Associates

A: Performance Bond Pin Assoc.
LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS That the XL SPECIALTY INSURANCE COMPANY, a corporation organized and existing by virtue of the laws of the State of Illinois ("Company" or "Corporation"), does hereby nominate, constitute and appoint, Bob Barra as an employee of Bob Barra Bonds, Inc., its true and lawful Attorney(s)-in-fact to make, execute, attest, seal and deliver for and on its behalf, as surety, and as is acts and deed, where required, any and all bonds, undertakings, recognizances and obligations in the nature thereof, the penal sum of no one of which is in any event to exceed $5,000,000.00 as required by Surety Obligees.

Such bonds and undertakings, when duly executed by the aforesaid Attorney(s)-in-fact shall be binding upon the said Company as fully and to the same extent as if such bonds and undertakings were signed by the President and Secretary of the Company and sealed with its corporate seal.

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company on the 5th day of December, 1988.

"RESOLVED, That the President, or any Vice President of the Company or any person designated by any one of them is hereby authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of the Company, bonds, undertakings and all contracts of suretyship, and that any Secretary or any Assistant Secretary of the Company be, and that each or any of them hereby is authorized to attest the execution of any such Power of Attorney, and to attach thereto the Seal of the Company.

FURTHER RESOLVED, That the signature of such officers and the Seal of the Company may be affixed by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be thereafter valid and binding upon the Company with respect to any bond, undertaking or contract of suretyship to which it is attached."

Bonds executed under this Power of Attorney may be executed under facsimile signature and seal pursuant to the following Resolution adopted by the Board of Directors of the Company on August 7, 1999.

"RESOLVED, That the signature of Stanley A. Galanski, as President of this Corporation, and the seal of this Corporation may be affixed or printed on any and all bonds, undertakings, recognizances, or other written obligations thereof, on any revocation of any Power of Attorney, or on any certificate relating thereto, by facsimile, and any Power of Attorney, any revocation of any Power of Attorney, bonds, undertakings, recognizances, certificate or other written obligation, bearing such facsimile signature or facsimile seal shall be valid and binding upon the Corporation."

IN WITNESS WHEREOF, the XL SPECIALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this 3rd day of January, 2000.

By:

PRESIDENT

Attest: 

SECRETARY

STATE OF ILLINOIS
COUNTY OF COOK

On this 3rd day of January, 2000, before me personally came Stanley A. Galanski to me known, who, being duly sworn, did depose and say that he is President of the Corporation described in and which executed the above instrument, that he knows the seal of said Corporation, that the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto by order and authority of the Board of Directors of said Company, and that he executed the said instrument by like order and authority:

[Signature]

NOTARY PUBLIC

STATE OF ILLINOIS
COUNTY OF COOK

I, Ben M. Llaneta, Secretary of the XL SPECIALTY INSURANCE COMPANY, a corporation of the State of Illinois, do hereby certify that the above and foregoing is a full, true and correct copy of Power of Attorney issued by said Company, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company, at the City of Schaumburg, this 12th day of April, 2001.

SECRETARY

EXHIBIT 5H
DEED OF CONSERVATION EASEMENT

THIS DEED OF CONSERVATION EASEMENT is given this __________ day of ____________________, 1998, by CENTERLINE HOMES,
7855 125TH WAY N, CREST GROVE, FL 33156
("Grantor") to the South Florida Water Management District ("Grantee"). As used herein, the term Grantor shall include any and all heirs, successors or assigns of the Grantor, and all subsequent owners of the "Property" (as hereinafter defined) and the term Grantee shall include any successor or assignee of Grantee.

WITNESSETH

WHEREAS, the Grantor is the owner of certain lands situated in Broward County, Florida, and more specifically described in Exhibit A attached hereto and incorporated herein ("Property"); and

WHEREAS, the Grantor desires to construct (name of project) BLACK DIAMOND ("Project") at a site in Palm Beach County, which is subject to the regulatory jurisdiction of South Florida Water Management District ("District"); and

WHEREAS, District Permit No. ____________ ("Permit") authorizes certain activities which affect waters in or of the State of Florida; and

WHEREAS, this Permit requires that the Grantor preserve, enhance, restore and/or mitigate wetlands and/or uplands under the District's jurisdiction; and

WHEREAS, the Grantor, in consideration of the consent granted by the Permit, is agreeable to granting and securing to the Grantee a perpetual conservation easement as defined in Section 704.06, Florida Statutes (1997), over the Property.

NOW, THEREFORE, in consideration of the issuance of the Permit to construct and operate the permitted activity, and as an inducement to Grantee in issuing the Permit, together with other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, Grantor hereby grants, creates, and establishes a perpetual conservation easement for and in favor of the Grantee upon the Property which shall run with the land and be binding upon the Grantor, and shall remain in full force and effect forever.
The scope, nature, and character of this conservation easement shall be as follows:

1. It is the purpose of this conservation easement to retain land or water areas in their natural, vegetative, hydrologic, scenic, open, agricultural or wooded condition and to retain such areas as suitable habitat for fish, plants or wildlife. Those wetland and/or upland areas included in the conservation easement which are to be enhanced or created pursuant to the Permit shall be retained and maintained in the enhanced or created conditions required by the Permit.

To carry out this purpose, the following rights are conveyed to Grantee by this easement:

a. To enter upon the Property at reasonable times with any necessary equipment or vehicles to enforce the rights herein granted in a manner that will not unreasonably interfere with the use and quiet enjoyment of the Property by Grantor at the time of such entry; and

b. To enjoin any activity on or use of the Property that is inconsistent with this conservation easement and to enforce the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or use.

2. Except for restoration, creation, enhancement, maintenance and monitoring activities, or surface water management improvements, which are permitted or required by the Permit, the following activities are prohibited in or on the Property:

a. Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

b. Dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;

c. Removal or destruction of trees, shrubs, or other vegetation, except for the removal of exotic or nuisance vegetation in accordance with a District approved maintenance plan;

d. Excavation, dredging, or removal of loam, peat, gravél, soil, rock, or other material substance in such manner as to affect the surface;

e. Surface use except for purposes that permit the land or water area to remain in its natural condition;
Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation including, but not limited to, ditching, diking and fencing;

g. Acts or uses detrimental to such aforementioned retention of land or water areas;

h. Acts or uses which are detrimental to the preservation of any features or aspects of the Property having historical or archaeological significance.

3. Grantor reserves all rights as owner of the Property, including the right to engage in uses of the Property that are not prohibited herein and which are not inconsistent with any District rule, criteria, permit and the intent and purposes of this Conservation Easement.

4. No right of access by the general public to any portion of the Property is conveyed by this conservation easement.

5. Grantee shall not be responsible for any costs or liabilities related to the operation, upkeep or maintenance of the Property.

6. Grantor shall pay any and all real property taxes and assessments levied by competent authority on the Property.

7. Any costs incurred in enforcing, judicially or otherwise, the terms, provisions and restrictions of this conservation easement shall be borne by and recoverable against the nonprevailing party in such proceedings.

8. Enforcement of the terms, provisions and restrictions of this conservation easement shall be at the reasonable discretion of Grantee, and any forbearance on behalf of Grantee to exercise its rights hereunder in the event of any breach hereof by Grantor, shall not be deemed or construed to be a waiver of Grantee's rights hereunder.

9. Grantee will hold this conservation easement exclusively for conservation purposes. Grantee will not assign its rights and obligations under this conservation easement except to another organization qualified to hold such interests under the applicable state laws.

10. If any provision of this conservation easement or the application thereof to any person or circumstances is found to be invalid, the remainder of the provisions of this conservation easement shall not be affected thereby, as long as the purpose of the conservation easement is preserved.
11. Grantor shall insert the terms and restrictions of this conservation easement in any subsequent deed or other legal instrument by which Grantor divests itself of any interest in the Property.

12. All notices, consents, approvals or other communications hereunder shall be in writing and shall be deemed properly given if sent by United States certified mail, return receipt requested, addressed to the appropriate party or successor-in-interest.

13. This conservation easement may be amended, altered, released or revoked only by written agreement between the parties hereto or their heirs, assigns or successors-in-interest, which shall be filed in the public records in __________ County.

TO HAVE AND TO HOLD unto Grantee forever. The covenants, terms, conditions, restrictions and purpose imposed with this conservation easement shall be binding upon Grantor, and shall continue as a servitude running in perpetuity with the Property.

Grantor hereby covenants with said Grantee that Grantor is lawfully seized of said Property in fee simple; that the Property is free and clear of all encumbrances that are inconsistent with the terms of this conservation easement and all mortgages have been joined or subordinated; that Grantor has good right and lawful authority to convey this conservation easement; and that it hereby fully warrants and defends the title to the conservation easement hereby conveyed against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, __________________________ has hereunto set its authorized hand this __________ day of ______________________ 199__.

Signed, sealed and delivered in our presence as witnesses:

__________________________
Print Name: ____________________________

A Florida corporation
By: ____________________________
Print Name: ____________________________
Title: ____________________________

__________________________
Print Name: ____________________________
STATE OF FLORIDA

) ss:

COUNTY OF _____________

On this ____________ day of ____________________, 199__ before me, the undersigned notary public, personally appeared ____________________, personally known to me to be the person who subscribed to the foregoing instrument and did not take an oath, as the (position) ________________________________ of (corporation) ____________________, a Florida corporation, and acknowledged that he executed the same on behalf of said corporation and that he was duly authorized to do so.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY PUBLIC, STATE OF FLORIDA

__________________________
Print Name:

My Commission Expires:

South Florida Water Management District
Legal Form Approved: SFWMD – January, 1998

EXHIBIT 6E
LEGAL DESCRIPTION:
A portion of the Northwest 1/4 of Section 12, Township 44 South, Range 41 East, Palm Beach County, Florida, being more particularly described as follows:

COMMENCE at the Center of Section 12, Township 44 South, Range 41 East; thence N.87°45'24"W., along the South line of the Northwest 1/4 of said Section 12, a distance of 118.01 feet; thence N.01°28'33"E., a distance of 41.00 feet to the POINT OF BEGINNING of the hereinafter described Easement; thence N.87°45'24"W., a distance of 1486.59 feet; thence N.02°11'38"E., a distance of 50.57 feet to a point on the arc of a circular curve to the left at which the radius point bears N.38°01'55"W.; thence Northerly along the arc of said curve, having a radius of 2341.74 feet and a central angle of 39°59'51", for an arc distance of 238.57 feet; thence N.11°58'13"E., a distance of 97.34 feet to a point on the arc of a circular curve to the left at which the radius point bears N.78°04'18"W.; thence Northerly along the arc of said curve, having a radius of 1459.96 feet and a central angle of 22°38'34", for an arc distance of 676.97 feet; thence N.12°16'59"W., a distance of 75.39 feet; thence N.11°58'20"W., a distance of 123.82 feet to a point on the arc of a circular curve to the left at which the radius point bears N.12°25'19"W.; thence Northeasterly along the arc of said curve, having a radius of 303.00 feet and a central angle of 67°23'09", for an arc distance of 356.35 feet; thence N.10°11'36"E., a distance of 139.89 feet to a point on the arc of a circular curve to the left at which the radius point bears N.23°22'09"W.; thence Northeasterly along the arc of said curve, having a radius of 123.00 feet and a central angle of 28°01'54", for an arc distance of 60.18 feet; thence S.57°00'34"W., a distance of 59.69 feet; thence S.38°00'15"W., a distance of 104.46 feet; thence S.52°18'42"W., a distance of 57.95 feet; thence S.15°59'20"W., a distance of 45.71 feet; thence S.21°15'57"W., a distance of 130.55 feet; thence S.30°17'41"W., a distance of 81.29 feet; thence S.30°49'58"W., a distance of 52.60 feet to a point of curvature of a circular curve to the left; thence Southwesterly, Southerly and Southwesterly along the arc of said curve, having a radius 442.00 feet and a central angle of 37°20'04", for an arc distance of 289.17 feet; thence S.01°11'57"E., a distance of 383.98 feet to a point on the arc of a circular curve to the left at which the radius point bears S.84°04'43"E.; thence Southwesterly, Easterly and Northeasterly along the arc of said curve, having a radius of 194.50 feet and a central angle of 182°45'54", for an arc distance of 620.60 feet; thence N.01°36'40"W., a distance of 41.14 feet; thence N.10°58'23"W., a distance of 89.35 feet; thence S.68°48'03"W., a distance of 33.74 feet; thence N.02°10'39"W., a distance of 39.47 feet to a point on the arc of a circular curve to the left at which the radius point bears N.06°15'40"W.; thence Northeasterly along the arc of said curve, having a radius of 342.70 feet and a central angle of 62°46'35", for an arc distance of 375.48 feet; thence N.20°21'35"E., a distance of 69.90 feet to a point on the arc of a circular curve to the right; thence Northeasterly along the arc of said curve, having a radius of 307.30 feet and a central angle of 62°21'51", for an arc distance of 334.48 feet; thence S.02'28'33"W., a distance of 42.73 feet; thence S.61°39'44"W., a distance of 37.39 feet; thence S.21°07'31"W., a distance of 49.69 feet to a point on the arc of a circular curve to the left; thence Southwesterly, Southerly, Easterly and Northeasterly along the arc of said curve, having a radius of 195.25 feet and a central angle of 158°45'33", for an arc distance of 534.20 feet; thence S.01°29'33"W., a distance of 794.10 feet to the POINT OF BEGINNING.

Notes:
1. The land shown herein have not been appraised by the firm representing parties of interest in any manner, such as appraiser's rights-of-way, reservations, etc., and information should be obtained and verified by others through appropriate verification procedures.
2. The Platting, Surveyor's Certificate, Covenants, and Restrictions, Leases, and other similar documents were prepared for and certified to the utmost accuracy; but this has no significance or legal implications.
3. All measurements shown on the attachments are for the record and (where possible) noted.
4. The Sketch and Legal Description does not indicate a survey.
5. Surveyor's Certificate:

Surveyor's Certification: I hereby certify that the described "Sketch and Legal Description" complies with the Federal Government Standards for surveys as outlined in Chapter 801 of the Florida Administrative Code pursuant to Section 475.507, Florida Statutes.

[signature]

H. N. Palatke, Professional Land Surveyor No. 5001, State of Florida

Black Diamond, P.U.D. - Conservation Easement 2

Job No.: 00110701

Data: April 18, 2001

Sheet 3 of 2 Sheets
SKETCH AND LEGAL DESCRIPTION

BLACK DIAMOND, P.U.D. - Conservation Easement 2

Legal Description:

A portion of the Northwest 1/4 of Section 12, Township 44 South, Range 41 East, Palm Beach County, Florida, being more particularly described as follows:

COMMENCE at the Center of Section 12, Township 44 South, Range 41 East; thence N.87°48'24"W., along the South line of the Northwest 1/4 of said Section 12, a distance of 118.01 feet; thence N.01°28'33"E., a distance of 41.00 feet to the POINT OF BEGINNING of the herein described Easement; thence N.87°48'24"W., a distance of 1466.59 feet; thence N.02°11'36"E., a distance of 50.57 feet to a point on the arc of a circular curve to the left at which the radius point bears N.36°01'55"W., thence Northeastery and Northerly along the arc of said curve, having a radius 341.74 feet and a central angle of 39°59'51" for an arc distance of 238.57 feet; thence N.11°56'13"E., a distance of 97.34 feet to a point on the arc of a circular curve to the left at which the radius point bears N.78°41'18"W.; thence Northerly along the arc of said curve, having a radius 1455.98 feet and a central angle of 22°38'34" for an arc distance of 576.97 feet; thence N.12°16'58"W., a distance of 75.39 feet; thence N.11°56'20"W., a distance of 123.82 feet to a point on the arc of a circular curve to the left at which the radius point bears N.12°25'19"W.; thence Northeastery along the arc of said curve, having a radius 303.00 feet and a central angle of 67°23'05" for an arc distance of 395.35 feet; thence N.10°11'36"E., a distance of 139.88 feet to a point on the arc of a circular curve to the left at which the radius point bears N.23°22'09"W.; thence Northeastery along the arc of said curve, having a radius 123.00 feet and a central angle of 28°01'54" for an arc distance of 60.18 feet; thence S.57°00'34"W., a distance of 59.69 feet; thence S.38°00'15"W., a distance of 104.44 feet; thence S.32°18'42"W., a distance of 57.95 feet; thence S.18°59'20"W., a distance of 45.71 feet; thence S.21°55'27"W., a distance of 130.55 feet; thence S.17°14'41"W., a distance of 61.29 feet; thence S.30°49'36"W., a distance of 52.80 feet to a point of curvature of a circular curve to the left; thence Southwesterly, Southerly and Southeastery along the arc of said curve, having a radius 442.00 feet and a central angle of 37°29'04" for an arc distance of 289.17 feet; thence S.01°11'57"E., a distance of 383.98 feet to a point on the arc of a circular curve to the left at which the radius point bears S.84°04'43"E.; thence Southeastery, Easterly and Northeasterly along the arc of said curve, having a radius 194.50 feet and a central angle of 182°48'54" for an arc distance of 620.80 feet; thence N.01°36'40"W., a distance of 41.14 feet; thence N.10°56'20"W., a distance of 89.35 feet; thence S.08°48'03"W., a distance of 33.74 feet; thence N.02°10'39"W., a distance of 39.47 feet to a point on the arc of a circular curve to the left at which the radius point bears N.06°51'50"W.; thence Northeasterly along the arc of said curve, having a radius 342.70 feet and a central angle of 62°45'35" for an arc distance of 375.48 feet; thence N.20°21'35"E., a distance of 69.90 feet to a point on the arc of a circular curve to the right; thence Northeastery along the arc of said curve, having a radius 307.30 feet and a central angle of 62°21'51" for an arc distance of 334.48 feet; thence S.02°28'33"W., a distance of 42.73 feet; thence S.51°39'44"W., a distance of 37.33 feet; thence S.27°31"W., a distance of 49.68 feet to a point on the arc of a circular curve to the left; thence Southwesterly, Southerly, Easterly and Northeasterly along the arc of said curve, having a radius 195.25 feet and a central angle of 158°45'33" for an arc distance of 534.20 feet; thence S.01°28'33"W., a distance of 794.10 feet to the POINT OF BEGINNING.

(Bearings shown herein are based upon the State Plane Coordinate System, Transverse Mercator - Florida East Zone, 1983 North American Datum (1989 Adjustment), along the South line of the N.W. 1/4 of Section 12, Township 44 South, Range 41 East, having a bearing of N.87°48'24"W.).

Notes:

1. The land shown herein has not been surveyed by the same real estate agents or surveyors, but the surveyor's data has been obtained and verified by others through appropriate verification.

2. The drawings and sketches are the property of Hager, Palbicke & Associates, Inc. and are protected by copyright and are not to be used for any purpose other than that for which they were prepared.

3. All data shown on the survey is intended for the use of the client and shall not be used or reproduced without written authorization.

4. The Sketch and Legal Description do not constitute a Survey.

Surveyor's Certification:

I certify that the sketch and legal description complies with the Minimum Technical Standards for surveys as outlined in Chapter 131F4, Florida Administrative Code, pursuant to Section 472.227, Florida Statutes.

[Signature]

Thomas R. Palbicke, Professional Land Surveyor No. 5081, State of Florida

Black Diamond, P.U.D. - Conservation Easement 2

Job No.: 00110701

Date: April 16, 2001

[Signature]

[Note: This document appears to be a legal description and sketch for a conservation easement, providing detailed geographical coordinates and bearings.]
SKETCH AND LEGAL DESCRIPTION
BLACK DIAMOND, P.U.D. - Conservation Easement 3

Legal Description:
A portion of Tract 2, Block 18 of "Palm Beach Farms Company Plat No 3", according to the Plat thereof, as recorded in Plat Book 2, Page 45, of the Public Records of Palm Beach County, Florida, lying in the Northeast 1/4 of Section 12, Township 44 South, Range 41 East, Palm Beach County, Florida, being more particularly described as follows:

COMMENCE at the North 1/4 corner of Section 12, Township 44 South, Range 41 East; thence S.87°54'23"W., along the North line of the Northeast 1/4 of said Section 12, a distance of 1673.42 feet; thence S.01°19'46"E., along the East line of said Tract 2, a distance of 381.23 feet to the POINT OF BEGINNING of the hereinafter described Easement; thence continue S.01°19'46"E., along said East line of said Tract 2, a distance of 316.30 feet; thence S.88°51'26"W., along the South line of said Tract 2, a distance of 446.17 feet to a point on the arc of a circular curve to the left, at which the radius point bears N.12°47'54"W.; thence Northeastery along the arc of said curve, having a radius of 485.00 feet and a central angle of 18°46'56", for an arc distance of 158.99 feet; thence N.58°25'10"E., a distance of 114.81 feet to a point of curvature of a circular curve to the left; thence Northeastery along the arc of said curve, having a radius of 363.00 feet and a central angle of 16°49'07", for an arc distance of 106.55 feet; thence N.41°36'04"E., a distance of 120.34 feet to a point of curvature of a circular curve to the left; thence Northeastery along the arc of said curve, having a radius of 245.00 feet and a central angle of 10°29'35", for an arc distance of 44.87 feet; thence N.31°06'29"E., a distance of 12.74 feet to the POINT OF BEGINNING.


Notes:
1. Distances as shown herein refer to the National Geodetic Vertical Datum (NGVD) of 1929.
2. The lands shown herein have not been described by the terms regarding matters of interest to other parties, such as easements, rights-of-ways, reservations, etc., such information should be obtained and verified by others through appropriate title verification.
3. This drawing is the property of Ager, Palbicke & Associates, Inc. and was prepared for and certified to the party or parties indicated herein and is not transferable or assignable. It shall not be used or reproduced whole or in part without written authorization.
4. All measurements shown on the attached drawing are per the record data (unless otherwise noted).
5. This Sketch and Legal Description does not constitute a Survey.

Legend:
- Base Line
- Contour Line
- Survey Line

Abbreviations:
- M - Mile
- ft - Foot

Surveyor's Certification: I hereby certify that the attached "Sketch and Legal Description" complies with the "Minimum Standards" for surveys as contained in Chapter 61G101-4, Florida Administrative Code, pursuant to Section 472.027, Florida Statutes.

Thomas R. Palbicke, Professional Land Surveyor No. 5081, State of Florida

Black Diamond, P.U.D. - Conservation Easement 3
Job No.: 00110701
Date: April 15, 2001
Sheet: 3 of 9

EXHIBIT 6J
BLACK DIAMOND
APPLICATION NUMBER: 001120-10
PERMIT MODIFICATION NUMBER: 50-04898-P

INTERNAL DISTRIBUTION
Reviewer:
X James L. Fyfe
X R. Brent Nicholas
X Donald L. Medeiros
X Hugo A. Carter, P.E.
X J. Golden - REG
X R. Robbins - NRM
X P. Walker, PBCSC - 1680
X A. Waterhouse - REG
X P. Bell - LEG
X ERC Engineering
X ERC Environmental Enforcement
X Permit File

EXTERNAL DISTRIBUTION
X Owner:
JEFFREY C AND DAVID J LEE
X Owner:
CENTERLINE HOMES, INC.
X Applicant:
CENTERLINE HOMES AT BLACK DIAMOND INC
X Applicant's Consultant
SCHNARS ENGINEERING CORPORATION
X Engineer, County of:
PALM BEACH
Engineer, City of:
Local Drainage District:

COUNTY
X Palm Beach - Building Division
- Environmental Res Mgmt
- Health Dept
- Land Development Div
- School Board Growth Mgt

BUILDING AND ZONING

OTHER
X FDEP
X Florida Audubon - Charles Lee
X Florida Fish & Wildlife Conservation Com
Indian Trail Water Control District
X Michael N. Vanatta
Mr. Ed Dailey, President
X Rosa Durando
X Sierra Club, Loxahatchee
Timothy K Large, Bldg Code Permit Admini
DOCUMENT COVER PAGE

Document Title: Declaration of Covenants, Restrictions and Easements for BLACK DIAMOND
( Warranty Deed, Mortgage, Affidavit, etc.)

Executed By: CRAIG PERRY

To:

Brief Legal Description: (If applicable)

⇒ Return Recorded Document to:

Hume & Johnson, P.A.
1401 University Drive Ste: 301
Coral Springs, Fl 33071