



THIS INSTRUMENT PREPARED BY:  
PATRICIA KIMBALL FLETCHER, ESQ.  
PATRICIA KIMBALL FLETCHER, P.A.  
DUANE MORRIS LLP  
200 SOUTH BISCAYNE BOULEVARD, SUITE 3400  
MIAMI, FLORIDA 33131-2397

**AMENDED AND RESTATED  
DECLARATION FOR  
SILVER PALMS**

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**AMENDED AND RESTATED  
DECLARATION FOR  
SILVER PALMS**

THIS AMENDED AND RESTATED DECLARATION FOR SILVER PALMS (this "**Declaration**") is made by Lennar Homes, Inc., a Florida corporation ("**Lennar**") and joined in by Silver Palms by Lennar Community Association, Inc., a Florida not-for-profit corporation ("**Association**"), and by Silver Palm Holdings of Homestead, LLC, a Florida limited liability company ("**Holdings**").

R E C I T A L S

- A. That certain Declaration for Silver Palms was recorded on November 3, 2005 in Official Records Book 23927 at Page 420 in the Public Records of Miami-Dade County, Florida (the "**Original Declaration**").
- B. Section 4.3 of the Original Declaration provides that, prior to Turnover Date, Lennar, as Developer shall have the right to amend the Declaration as it deems appropriate, without the joinder or consent of any person or entity whatsoever. The Turnover Date has not yet occurred.
- C. Lennar is or will be the owner of the real property in Miami-Dade County, Florida ("**County**"), more particularly described in **Exhibit 1** attached hereto and made a part hereof ("**Silver Palms**"). The current owner of Silver Palms is Holdings.
- D. Lennar desires to subject Silver Palms to the covenants, conditions and restrictions contained in this Declaration.
- E. This Declaration is a covenant running with all of the land comprising Silver Palms, and each present and future owner of interests therein and their heirs, devisees, personal representatives, successors or assigns are hereby subject to this Declaration.
- F. This Declaration supersedes and replaces the Original Declaration in its entirety. The Original Declaration shall be of no further force and effect.

NOW THEREFORE, in consideration of the promises and mutual covenants contained in this Declaration, Lennar hereby declares that every portion of Silver Palms is to be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, reservations, regulations, charges and liens hereinafter set forth.

1. **Recitals.** The foregoing Recitals are true and correct and are incorporated into and form a part of this Declaration.
2. **Definitions.** In addition to the terms defined elsewhere in this Declaration, all initially capitalized terms herein shall have the following meanings:

"**ACC**" shall mean the Architectural Control Committee for Silver Palms established pursuant to Section 21 hereof.

"**Articles**" shall mean the Articles of Incorporation of Association filed with the Florida Secretary of State in the form attached hereto as **Exhibit 2** and made a part hereof, as amended from time to time.

"**Assessments**" shall mean any assessments made in accordance with this Declaration and as further defined in Section 19 hereof.

"**Association Documents**" shall mean this Declaration, the Articles, the By-Laws, the Rules and Regulations, and the Community Standards, as amended from time to time.

"**Association**" shall mean Silver Palms by Lennar Community Association, Inc., its successors and assigns.

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

"**Bonds**" shall have the meaning set forth in Section 10.2 hereof.

"**Builder**" shall mean any person or entity that purchases a Parcel or Lot from Developer for the purpose of constructing one or more Homes.

"**By-Laws**" shall mean the By-Laws of Association in the form attached hereto as **Exhibit 3** and made a part hereof, as amended from time to time.

"**Cable Services**" shall mean "basic service tier" as described in Section 623(b)(7)(A) of the Cable Television Consumer Protection Act of 1992, video programming services offered on a per-channel or per-program basis, video programming services offered in addition to basic service tier, any method of delivering video programming to Homes including, without limitation, interactive video programming, and any channel recognized in the industry as premium including, without limitation, HBO, Showtime, Disney, Cinemax and the Movie Channel. By way of example, and not of limitation, the term Cable Services may include cable television, satellite

master antenna television, individual satellite dishes, multipoint distribution systems, video dialtone, open video system or any combination thereof.

**"Club Dues"** shall mean the charges related to the Club to be paid by the Owners pursuant to the provisions of the Club Plan including, without limitation, the Club Membership Fee.

**"Club Expenses"** shall have the meaning set forth in the Club Plan.

**"Club Manager"** shall mean the entity operating and managing the Club at any given time.

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

**"Club Owner"** shall mean the owner of the Club, its successors and assigns. Presently the Club Owner is Lennar.

**"Club Plan"** shall mean Club Silver Palms Club Plan together with all amendments and modifications thereof. A copy of the Club Plan is attached hereto as **Exhibit 4** and made a part hereof. This Declaration is subordinate in all respects to the Club Plan.

**"Club"** shall mean Club Silver Palms, including the land and club facilities provided for the Owners pursuant to the provisions of the Club Plan.

**"Common Areas"** shall mean all real property interests and personalty within Silver Palms designated as Common Areas from time to time by Plat or recorded amendment to this Declaration and provided for, owned, leased by, or dedicated to, the common use and enjoyment of the Owners within Silver Palms. The Common Areas may include, without limitation, open space areas, internal buffers, entrance features, perimeter buffers, perimeter walls and fences, landscaping, improvements, easement areas owned by others, public rights of way, additions, lakes, irrigation pumps, irrigation lines, parks, sidewalks, streets/roads, street lights, service roads, walls, commonly used utility facilities, project signage, parking areas, other lighting, entranceways, entrance features, electronic gates, and gatehouses. The Common Areas do not include any portion of a Home or the Club. NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, THE DEFINITION OF "COMMON AREAS" AS SET FORTH IN THIS DECLARATION IS FOR DESCRIPTIVE PURPOSES ONLY AND SHALL IN NO WAY BIND, OBLIGATE OR LIMIT DEVELOPER TO CONSTRUCT OR SUPPLY ANY SUCH ITEM AS SET FORTH IN SUCH DESCRIPTION, THE CONSTRUCTION OR SUPPLYING OF ANY SUCH ITEM BEING IN DEVELOPER'S SOLE DISCRETION. FURTHER, NO PARTY SHALL BE ENTITLED TO RELY UPON SUCH DESCRIPTION AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON AREAS TO BE OWNED, LEASED BY OR DEDICATED TO ASSOCIATION, EXCEPT AFTER CONSTRUCTION AND DEDICATION OR CONVEYANCE OF ANY SUCH ITEM. Further, and without limiting the foregoing, it is possible that certain areas that would otherwise be Common Areas shall be conveyed to the District and comprise part of the Facilities.

**"Community Completion Date"** shall mean the date upon which all Homes in Silver Palms, as ultimately planned and as fully developed, have been conveyed by Developer and/or Builder to Owners.

**"Community Plan"** shall mean, collectively, the full or partial concept plan for the development of Silver Palms as it exists as of the date of recording this Declaration, regardless of whether such plan is currently on file with one or more governmental agencies. The Community Plan is subject to change as set forth herein. The Community Plan is not a representation by Developer as to the development of Silver Palms or its amenities, as Developer reserves the right to amend all or part of the Community Plan from time to time.

**"Community Standards"** shall mean such standards of conduct, maintenance or other activity, if any, established by the ACC pursuant to Section 21 hereof.

**"Contractors"** shall have the meaning set forth in Section 21.12.2 hereof.

**"County"** shall have the meaning set forth in the Recitals hereof.

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

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

**"Developer"** shall mean Lennar and any of its designees (including its affiliated or related entities which conduct land development, homebuilding and sales activities), successors and assigns who receive a written assignment of all or some of the rights of Developer hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

**"District Debt Service Assessments"** shall have the meaning set forth in Section 10.2 hereof.

**"District Maintenance Special Assessments"** shall have the meaning set forth in Section 10.2 hereof.

**“District Revenue Bonds”** shall have the meaning set forth in Section 10.2 hereof.

**“District”** shall have the meaning set forth in Section 10.1 hereof.

**“Estate Home”** shall mean each free standing Single Family Home within Silver Palms on a one-acre (1-acre) Lot.

**“Facilities”** shall have the meaning set forth in Section 10.1 hereof.

**“Front Yard”** shall mean the yard of every Home between the front of the Home and the road providing access to such Home. In the event that there is any question about what portion of a Home is part of the Front Yard, Association’s determination shall be final.

**“Holdings”** shall mean Silver Palm Holdings of Homestead, LLC, a Florida limited liability company, its successors and assigns.

**“Home”** shall mean each residential home and appurtenances thereto constructed on a Parcel within Silver Palms. A Home shall include, without limitation, Townhome(s), Single Family Home(s) and Estate Home(s). The term Home may not reflect the same division of property as reflected on a Plat. A Home shall be deemed created and have perpetual existence upon the issuance of a final or temporary Certificate of Occupancy for such residence; provided, however, the subsequent loss of such Certificate of Occupancy (e.g., by casualty or remodeling) shall not affect the status of a Home, or the obligation of Owner to pay Assessments with respect to such Home. The term “Home” includes any interest in land, improvements, or other property appurtenant to the Home.

**“Improvement”** shall have the meaning set forth in Section 22.1 hereof.

**“Individual Assessments”** shall have the meaning set forth in Section 19.2.5 hereof.

**“Initial Contribution”** shall have the meaning set forth in Section 19.11 hereof.

**“Lake Slope Maintenance Standards”** shall have the meaning set forth in Section 14.2.

**“Lawn Maintenance Standards”** shall have the meaning set forth in Section 14.1.

**“Lender”** shall mean (i) the institutional and licensed holder of a first mortgage encumbering a Lot or Home or (ii) Developer and its affiliates, to the extent Developer or its affiliates finances the purchase of a Home or Lot initially or by assignment of an existing mortgage.

**“Lennar”** shall mean Lennar Homes, Inc., a Florida corporation, its successors and assigns.

**“Lessee”** shall mean the lessee named in any written lease respecting a Home who is legally entitled to possession of any rental Home within Silver Palms.

**“Lot”** shall mean any platted residential lot shown on a Plat.

**“Member”** shall have the meaning set forth in Section 7.3 hereof.

**“Monthly Assessments”** shall have the meaning set forth in Section 19.2.1 hereof.

**“NFIP”** shall have the meaning set forth in Section 16.1.1 hereof.

**“Non-Conforming Pavers”** shall have the meaning set forth in Section 9.13.

**“Operating Costs”** shall mean all costs and expenses of Association and the Common Areas. Operating Costs may include, without limitation, all of the costs of ownership; operation; administration; all amounts payable by Association; all amounts required to remove canvas canopies located within the Common Areas as required herein; all amounts required to maintain the Surface Water Management System; all community lighting including up-lighting and entrance lighting (if not the obligation of the District); all amounts payable in connection with any private street lighting agreement between Association and FPL; amounts payable to a Telecommunications Provider for Telecommunications Services furnished to all Owners; utilities; taxes; insurance; bonds; salaries; management fees; professional fees; service costs; supplies; maintenance; repairs; replacements; refurbishments; common area landscape maintenance; and any and all of the costs relating to the discharge of the obligations hereunder and/or under the Club Plan, or as determined to be part of the Operating Costs by Association. By way of example, and not of limitation, Operating Costs shall include all of Association’s legal expenses and costs relating to or arising from the enforcement and/or interpretation of this Declaration and/or the Club Plan. By way of example, and not of limitation, Operating Costs shall include all of Association’s legal expenses and costs relating to or arising from the enforcement and/or interpretation of this Declaration. If any of the foregoing items identified as possible Operating Costs are included as District Maintenance Special Assessments, the same shall not be included in Operating Costs.

**“Owner”** shall mean the record owner (whether one or more persons or entities) of fee simple title to any Home. The term “Owner” shall not include Developer, Builder, Club Owner, or Lender.

**"Parcel"** shall mean a platted or unplatted lot, tract, unit or other subdivision of real property upon which a Home has been, or will be, constructed. Once improved, the term Parcel shall include all improvements thereon and appurtenances thereto. The term Parcel, as used herein, may include more than one Home.

**"Party Roof"** shall mean any roof built as part of the construction of two or more Homes, which Homes are connected by one or more Party Walls.

**"Party Wall"** shall mean any fence or wall built as part of the original construction of two or more Homes which is placed on the dividing line or platted lot line between such Homes.

**"Permit"** shall mean Permit No. 13-02405-P issued by SFWMD, a copy of which is attached hereto as **Exhibit 5**.

**"Plat"** shall mean any plat of any portion of Silver Palms filed in the Public Records, as the same may be amended by Developer, from time to time.

**"Public Infrastructure"** shall have the meaning set forth in Section 10.2 hereof.

**"Public Records"** shall mean the Public Records of County.

**"Reserves"** shall have the meaning set forth in Section 19.2.4 hereof.

**"Rules and Regulations"** shall mean collectively the Rules and Regulations governing Silver Palms as adopted by the Board from time to time.

**"SFWMD"** shall mean the South Florida Water Management District.

**"Silver Palms"** shall have the meaning set forth in the Recitals hereof subject to additions and deletions thereto as permitted pursuant to the terms of this Declaration. Developer may, when amending or modifying the description of real property which is subject to the operation of this Declaration, also amend or modify the definition of Silver Palms.

**"Single Family Home"** shall mean each free standing single family Home, including Estate Homes, within Silver Palms.

**"Special Assessments"** shall mean those Assessments more particularly described as Special Assessments in Section 19.2.2 hereof.

**"Surface Water Management System"** shall mean the collection of devices, improvements, or natural systems whereby surface waters are controlled, impounded or obstructed. This term includes exfiltration trenches, mitigation areas, lakes, retention areas, water management areas, ditches, culverts, structures, dams, impoundments, reservoirs, drainage maintenance easements and those works defined in Section 373.403(1)-(5) of the Florida Statutes. The Silver Palms Surface Water Management System includes those works authorized by SFWMD pursuant to the Permit.

**"Telecommunications Provider"** shall mean any party contracting with Association and/or Owners directly to provide Owners with one or more Telecommunications Services. Developer may be a Telecommunications Provider. With respect to any particular Telecommunications Services, there may be one or more Telecommunications Providers. By way of example, with respect to Data Transmission Services, one Telecommunications Provider may provide Association such service while another may own, maintain and service the Telecommunications Systems which allow delivery of such Data Transmission Services.

**"Telecommunications Services"** shall mean delivered entertainment services; all services that are typically and in the future identified as telecommunication services; Telephony Services; Cable Services; and Data Transmission Services. Without limiting the foregoing, such Telecommunications Services include the development, promotion, marketing, advertisement, provision, distribution, maintenance, transmission, and servicing of any of the foregoing services. The term Telecommunications Services is to be construed as broadly as possible.

**"Telecommunications Systems"** shall mean all facilities, items and methods required and/or used in order to provide Telecommunications Services to Silver Palms. Without limiting the foregoing, Telecommunications Systems may include wires (fiber optic or other material), conduits, passive and active electronic equipment, pipes, pedestals, wireless cell sites, computers, modems, satellite antenna sites, transmission facilities, amplifiers, junction boxes, trunk distribution, feeder cables, lock boxes, taps, drop cables, related apparatus, converters, connections, head-end antennas, earth stations, appurtenant devices, network facilities necessary and appropriate to support provision of local exchange services and/or any other item appropriate or necessary to support provision of Telecommunications Services. Ownership and/or control of all or a portion of any part of the Telecommunications Services may be bifurcated among network distribution architecture, system head-end equipment, and appurtenant devices (e.g., individual adjustable digital units).

**"Telephony Services"** shall mean local exchange services provided by a certified local exchange carrier or alternative local exchange company, intraLATA and interLATA voice telephony and data transmission.

**"Title Documents"** shall have the meaning set forth in Section 27.8 hereof.

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

**"Townhome Building"** shall mean a single structure containing multiple Homes in which the Homes are separated by Party Walls.

**"Townhome"** shall mean each Home within Silver Palms which is part of a Townhome Building.

**"Turnover Date"** shall mean the date on which transition of control of Association from Developer to Owners occurs. Without limiting the foregoing, Developer shall never be obligated to turn over Association prior to the date required by law.

**"Use Fees"** shall have the meaning set forth in Section 19.2.3 hereof.

3. **Plan of Development.** The planning process for Silver Palms is an ever-evolving one and must remain flexible in order to be responsible to and accommodate the needs of Developer's buyers. Subject to the Title Documents, Developer may wish and has the right to develop Silver Palms and any adjacent property, now or hereafter owned by Developer, into residences, comprised of homes, villas, coach homes, Townhomes, zero lot line homes, patio homes, multi-family homes, Single Family Homes, Estate Homes, condominiums, rental apartments, and other forms of residential dwellings, as well as commercial development, which may include shopping centers, stores, office buildings, showrooms, industrial facilities, technological facilities, and professional offices. The existence at any point in time of walls, landscape screens, or berms is not a guaranty or promise that such items will remain or form part of Silver Palms as finally developed. There is no guarantee that Silver Palms will contain any specific number of Homes.

4. **Amendment.**

4.1 **General Restrictions on Amendments.** Notwithstanding any other provision herein to the contrary, no amendment to this Declaration shall affect the rights of Developer or Club Owner unless such amendment receives the prior written consent of Developer or Club Owner, as applicable, which consent may be withheld for any reason whatsoever. No amendment shall alter the provisions of this Declaration benefitting Lenders without the prior approval of the Lender(s) enjoying the benefit of such provisions. If the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to this Declaration, then the prior written consent of such entity or agency must also be obtained. Without the County's prior written consent, there shall be no amendment to this Section 4.1, or to any Section herein (including, without limitation, Sections 4.1, 7.1, 7.2, 7.3, 9.1, 9.4.1, 9.10, 9.12, and 11.1) that is relevant to the continuing obligation of the Association, the District, or a special taxing district, as applicable, to pay taxes for and maintain the Common Areas without expense to the general taxpayers of the County. All amendments must comply with Section 11.8.2 which benefits the SFWMD. No amendment shall be effective until it is recorded in the Public Records.

4.2 **No Vested Rights.** Each Owner by acceptance of a deed to a Home irrevocably waives any claim that such Owner has any vested rights pursuant to case law or statute with respect to this Declaration or any of the other Association Documents. It is expressly intended that Developer and Association have the unfettered right to amend this Declaration and the other Association Documents except as expressly set forth herein.

4.3 **Amendments Prior to and Including the Turnover Date.** Prior to and including the Turnover Date, Developer shall have the right to amend this Declaration as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Such amendments may include, without limitation, the creation of easements for Telecommunications Systems, utility, drainage, ingress and egress and roof overhangs over any portion of Silver Palms; additions or deletions from the properties comprising the Common Areas; changes in the Rules and Regulations, and modifications of restrictions on the Homes, and maintenance standards for landscaping. Developer's right to amend under this provision is to be construed as broadly as possible. By way of example, and not as a limitation, Developer may create easements over Homes conveyed to Owners provided that such easements do not prohibit the use of such Homes as residential homes. In the event that Association shall desire to amend this Declaration prior to and including the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records. Notwithstanding the foregoing, at all times from and after the Turnover Date, Developer shall have the right to amend the Association Documents unilaterally to correct scrivener's errors.

4.4 **Amendments After the Turnover Date.** After the Turnover Date, but subject to the general restrictions on amendments set forth above, this Declaration may be amended with the approval of (i) sixty six and two-thirds percent (66⅔%) of the Board; and (ii) seventy-five percent (75%) of all of the votes present (in person or by proxy) at a duly noticed meeting of the members of Association in which there is a quorum.

5. **Annexation and Withdrawal.**

5.1 **Annexation by Developer.** Prior to and including the Turnover Date, additional lands may be made part of Silver Palms by Developer, at Developer's sole discretion. Such additional lands to be annexed may or may not be adjacent to Silver Palms. Except for applicable governmental approvals (if any), no consent to such annexation shall be required from any other party (including, but not limited to, Association, Owners or any Lenders of any Parcel or portion of Silver Palms including a Home). Such annexed lands shall be brought within the

provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The amendment shall subject the annexed lands to the covenants, conditions, and restrictions contained in this Declaration as fully as though the annexed lands were described herein as a portion of Silver Palms. Such amendment may contain additions to, modifications of, or omissions from, the covenants, conditions, and restrictions contained in this Declaration as deemed appropriate by Developer and as may be necessary to reflect the different character, if any, of the annexed lands. Prior to and including the Turnover Date, only Developer may add additional lands to Silver Palms.

5.2 Annexation by Association. After the Turnover Date, and subject to applicable governmental approvals (if any), additional lands may be annexed with the approval of (i) sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the Board; and (ii) seventy-five percent (75%) of all of the votes present (in person or by proxy) at a duly noticed meeting of the Members in which there is a quorum.

5.3 Withdrawal. Prior to and including the Turnover Date, any portions of Silver Palms (or any additions thereto) may be withdrawn by Developer from the provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The right of Developer to withdraw portions of Silver Palms shall not apply to any Home which has been conveyed to an Owner unless that right is specifically reserved in the instrument of conveyance or the prior written consent of the Owner is obtained. The withdrawal of any portion of Silver Palms shall not require the consent or joinder of any other party (including, but not limited to, Association, Owners, or any Lenders of any portion of Silver Palms). Association shall have no right to withdraw land from Silver Palms.

6. Dissolution.

6.1 Generally. In the event of the dissolution of Association without reinstatement within thirty (30) days, other than incident to a merger or consolidation, any Owner may petition the circuit court of the appropriate judicial circuit of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Association and to manage the Common Areas in the place and stead of Association, and to make of such provisions as may be necessary for the continued management of the affairs of the dissolved Association. In the event Association is dissolved, and any portion of the Surface Water Management System is part of the Common Areas, the Surface Water Management System shall be conveyed to the District or an appropriate agency of local government, and that if not accepted, then the Surface Water Management System shall be dedicated to a similar non-profit corporation.

6.2 Applicability of Declaration after Dissolution. In the event of dissolution of Association, Silver Palms and each Home therein shall continue to be subject to the provisions of this Declaration, including, without limitation, the provisions respecting Assessments and Club Dues specified in this Declaration and/or the Club Plan. Each Owner shall continue to be personally obligated to the successors or assigns of Association and/or Club Owner, as the case may be, for Assessments and Club Dues to the extent that Assessments and Club Dues are required to enable the successors or assigns of Association and/or Club Owner to properly maintain, operate and preserve the Common Areas and/or Club. Without limiting the foregoing, the obligation of each Owner to pay the Club Membership Fee shall survive the dissolution of Association. The provisions of this Section shall only apply with regard to the maintenance, operation, and preservation of those portions of Silver Palms which had been Common Areas and/or comprised part of the Club and continue to be so used for the common use and enjoyment of the Owners.

7. Binding Effect and Membership.

7.1 Term. This Declaration and all covenants, conditions and restrictions contained in this Declaration are equitable servitudes, perpetual and run with the land. Each Owner, by acceptance of a deed to a Home or Lot, and any person claiming by, through or under such Owner (i) agrees to be subject to the provisions of this Declaration and (ii) irrevocably waives any right to deny, and any claim, that this Declaration and all covenants, conditions and restrictions contained in this Declaration are not enforceable under the Marketable Record Titles to Real Property Act, Chapter 712 of the Florida Statutes. It is expressly intended that the Marketable Record Titles to Real Property Act will not operate to extinguish any encumbrance placed on Silver Palms by this Declaration. It is further expressly intended that no re-filing or notice of preservation is necessary to continue the applicability of this Declaration and the applicability of all covenants, conditions, and restrictions contained in this Declaration. This provision is not subject to amendment except by Developer.

7.2 Transfer. The transfer of the fee simple title to a Home, whether voluntary or by operation of law, terminating the Owner's title to that Home shall terminate the Owner's rights to the use of and enjoyment of the Common Areas as it pertains to that Home and shall terminate such Owner's membership in Association. An Owner's rights and privileges under this Declaration are not assignable separately from a Home. The Owner of each Home is entitled to the benefits of, and is burdened with, the duties and responsibilities set forth in, the provisions of this Declaration. All parties acquiring any right, title and interest in and to any Home shall be fully bound by the provisions of this Declaration. In no event shall any Owner acquire any rights that are greater than the rights granted to, and limitations placed upon its predecessor in title pursuant to the provisions of this Declaration. In the event that any Owner desires to sell or otherwise transfer title of his or her Home, such Owner shall give the Board at least fourteen (14) days prior written notice of the name and address of the purchaser or transferee, the date on which such transfer of title is to take place, and such other information as the Board may reasonably require. The transferor shall remain jointly and severally liable with the transferee for all obligations of the Owner and the Home pursuant to this Declaration including, without limitation, payment of all Assessments accruing prior to the date of transfer. Until written notice is received as provided in this Section, the transferor and transferee shall be jointly and severally liable for Assessments accruing subsequent to the date of transfer. In the event that upon the conveyance

of a Home an Owner fails in the deed of conveyance to reference the imposition of this Declaration on the Home, the transferring Owner shall remain liable for Assessments accruing on the Home from and after the date of conveyance.

7.3 Membership. Upon acceptance of title to a Home, and as more fully provided in the Articles and By-Laws, each Owner (or his or her Lessee, if applicable) shall be a member of Association (a "Member"). In the event there are multiple Owners of a Home, all such Owners shall designate who are to be the occupants of the Home and register such persons with Association. Membership rights are governed by the provisions of this Declaration, the deed to a Home, the Articles and By-Laws. Membership shall be an appurtenance to and may not be separated from, the ownership of a Home. Developer rights with respect to Association are set forth in this Declaration, the Articles and By-Laws. Club Owner shall be a member of Association as set forth herein and in the By-Laws. Membership shall be an appurtenance to and may not be separated from ownership of a Home.

7.4 Ownership by Entity. In the event that an Owner of the Home is other than a natural person, that Owner shall, prior to occupancy of the Home, designate one or more persons who are to be the occupants of the Home and register such persons with Association. All provisions of this Declaration and the other Association Documents shall apply to both such Owner of the Home and the designated occupants.

7.5 Voting Interests. Voting interests in Association are governed by the provisions of the Articles and By-Laws.

7.6 Document Recordation by Owners Prohibited. Neither Association nor any Owner, nor group of Owners, may record any documents which, in any way, affect or restrict the rights of Developer or Club Owner, or conflict with the provisions of this Declaration or the other Association Documents.

7.7 Composition of Board. Developer reserves the right to change, from time to time prior to and including Turnover Date, the composition of the Board. Without limiting the foregoing, Developer may change the number of Board members, the effect of a vote by a Board member, or how a Board member is elected or appointed prior to and including Turnover Date.

7.8 Conflicts. In the event of any conflict among this Declaration, the Articles, the By-Laws or any of the other Association Documents, this Declaration shall control.

8. Paramount Right of Developer. Notwithstanding anything to the contrary herein, prior to the Community Completion Date Developer shall have the paramount right to dedicate, transfer, and/or convey (by absolute conveyance, easement, or otherwise) portions of Silver Palms for various public purposes or for the provision of Telecommunications Systems, or to make any portions of Silver Palms part of the Common Areas, or to create and implement a special taxing district which may include all or any portion of Silver Palms. In addition, the Common Areas of Silver Palms may include decorative improvements, berms, and waterbodies. Notwithstanding anything to the contrary herein, the waterbodies may be dry during certain weather conditions or during certain times of the year. Developer may remove, modify, eliminate or replace these items from time to time in its sole discretion. SALES BROCHURES, SITE PLANS, AND MARKETING MATERIALS ARE CURRENT CONCEPTUAL REPRESENTATIONS AS TO WHAT FACILITIES, IF ANY, WILL BE INCLUDED WITHIN THE COMMON AREAS. DEVELOPER SPECIFICALLY RESERVES THE RIGHT TO CHANGE THE LAYOUT, COMPOSITION, AND DESIGN OF ANY AND ALL COMMON AREAS AT ANY TIME WITHOUT NOTICE AT ITS DISCRETION.

9. Operation of Common Areas.

9.1 Prior to Conveyance. Prior to the conveyance, identification and/or dedication of the Common Areas to Association as set forth in Section 9.4 herein, any portion of the Common Areas owned by Developer shall be operated, maintained, and administered at the sole cost of Association for all purposes and uses reasonably intended, as Developer in its sole discretion deems appropriate. During such period, Developer shall own, operate, and administer the Common Areas without interference from any Owner or Lender of a Home or any portion of Silver Palms or any other person or entity whatsoever. Owners shall have no right in or to any Common Areas referred to in this Declaration unless and until same are actually constructed, completed, and conveyed to, leased by, dedicated to, and/or maintained by Association. The current conceptual plans and/or representations, if any, regarding the composition of the Common Areas are not a guarantee of the final composition of the Common Areas. No party should rely upon any statement contained herein as a representation or warranty as to the extent of the Common Areas to be owned, operated, or dedicated to Association. Developer, so long as it controls Association, further specifically retains the right to add to, delete from, or modify any of the Common Areas referred to herein at its discretion and without notice.

9.2 Construction of Common Areas Facilities. Developer has constructed or will construct, at its sole cost and expense, certain facilities and improvements as part of the Common Areas, together with equipment and personalty contained therein, and such other improvements and personalty as Developer determines in its sole discretion. Developer shall be the sole judge of the composition of such facilities and improvements. Prior to the Community Completion Date Developer reserves the absolute right to construct additional Common Areas facilities and improvements within Silver Palms, from time to time, in its sole discretion, and to remove, add to modify and change the boundaries, facilities and improvements now or then part of the Common Areas. Developer is not obligated to, nor has it represented that it will, modify or add to the facilities, improvements, or Common Areas as they are contemplated as of the date hereof. Developer is the sole judge of the foregoing, including the plans, specifications, design, location, completion schedule, materials, size, and contents of the facilities, improvements,

appurtenances, personalty (e.g., furniture), color, textures, finishes, or Common Areas, or changes or modifications to any of them.

9.3 Use of Common Areas by Developer. Until the Community Completion Date Developer shall have the right to use any portion of the Common Areas and the Club, without charge, for any purpose deemed appropriate by Developer.

9.4 Conveyance.

9.4.1 Generally. Within ninety (90) days after the Turnover Date, or earlier as determined by Developer in its sole discretion, or as may be required by applicable law, all or portions of the Common Areas may be dedicated by Plats, created in the form of easements, or conveyed by written instrument or by Quitclaim Deed recorded in the Public Records from Developer to Association. Association shall pay all of the costs of the conveyance. The dedication, creation by easement, or conveyance shall be subject to easements, restrictions, reservations, conditions, limitations, and declarations of record, real estate taxes for the year of conveyance, zoning, land use regulations and survey matters. Association shall be deemed to have assumed and agreed to pay all continuing obligations and service and similar contracts relating to the ownership operation, maintenance, and administration of the conveyed portions of Common Areas and other obligations relating to the Common Areas imposed herein. Association shall, and does hereby, indemnify and hold Developer harmless on account thereof. Association, by its joinder in this Declaration, hereby accepts such dedication(s) or conveyance(s) without setoff, condition, or qualification of any nature. The Common Areas, personal property and equipment thereon and appurtenances thereto shall be dedicated or conveyed in "as is, where is" condition WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF THE COMMON AREAS BEING CONVEYED.

9.4.2 Form of Deed. Each deed of the Common Areas shall be subject to the following provisions:

9.4.2.1 a perpetual nonexclusive easement in favor of governmental agencies for the maintenance and repair of existing road, speed and directional signs, if any;

9.4.2.2 matters reflected in the plat(s) of Silver Palms;

9.4.2.3 perpetual non-exclusive easements in favor of Developer, its successors, and assigns in, to, upon and over all of the Common Areas for the purpose of vehicular and pedestrian ingress and egress, installation of utilities, landscaping and/or drainage, without charge, including, without limitation, the right to use such roadways for construction vehicles and equipment. The easements reserved in the deed shall run in favor of Developer, and its employees, representatives, agents, licensees, guests, invitees, successors and/or assigns;

9.4.2.4 all restrictions, easements, covenants and other matters of record;

9.4.2.5 in the event that Association believes that Developer shall have failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or the Common Areas conveyed herein are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of \$250,000.00 which Association and Developer agree is a fair and reasonable remedy; and

9.4.2.6 a reservation of right in favor of Developer (so long as Developer owns any portion of Silver Palms) to require that Association reconvey all or a portion of the Common Areas conveyed by quitclaim deed in favor of Developer in the event that such property is required to be owned by Developer for any purpose, including, without limitation, the reconfiguration of any adjacent property by replatting or otherwise.

9.5 Operation After Conveyance. After the conveyance or dedication of any portion of the Common Areas to Association, the portion of the Common Areas so dedicated shall be owned, operated and administered by Association for the use and benefit of the Owners of all property interests in Silver Palms including, but not limited to, Association, Developer, Club Owner, Owners and any Lenders. Subject to Association's right to grant easements, and other interests as provided herein, Association may not convey, abandon, alienate, encumber, or transfer all or a portion of the Common Areas to a third party without (i) if prior to and including the Turnover Date, the approval of (a) a majority of the Board; and (b) the consent of Developer and Club Owner, or (ii) from and after the Turnover Date, approval of (a) sixty-six and two-thirds percent (66 2/3%) of the Board; (b) seventy-five percent (75%) of all of the votes in Association; and (c) consent of the Club Owner being first had and obtained.

9.6 Paved Areas. Certain paved areas may be part of the Facilities under the jurisdiction of the District. The Common Areas may also contain certain paved areas. Without limiting any other provision of this

Declaration, Association is responsible for the maintenance and/or resurfacing of all paved surfaces, including but not limited to, roads, pathways, bicycle paths, and sidewalks forming a part of the Common Areas, if any. Although pavement appears to be a durable material, it requires maintenance. Association shall have the right, but not the obligation, to arrange for an annual inspection of all paved surfaces forming a part of the Common Areas by a licensed paving contractor and/or engineer. The cost of such inspection shall be a part of the Operating Costs of Association. Association shall determine annually the parameters of the inspection to be performed, if any. By way of example, and not of limitation, the inspector may be required to inspect the roads and sidewalks forming part of the Common Areas annually for deterioration and to advise Association of the overall pavement conditions including any upcoming maintenance needs. Any patching, grading, or other maintenance work should be performed by a company licensed to perform the work. From and after the Community Completion Date, Association should monitor the roads and sidewalks forming the Common Areas monthly to ensure that vegetation does not grow into the asphalt and that there are no eroded or damaged areas that need immediate maintenance.

9.7 Delegation and Managers. Once conveyed or dedicated to Association, the Common Areas and facilities and improvements located thereon shall, subject to the provisions of this Declaration and the document of conveyance or dedication, at all times be under the complete supervision, operation, control, and management of Association. Notwithstanding the foregoing Association may delegate all or a portion of its obligations hereunder to a licensed manager or professional management company. Association specifically shall have the right to pay for management services on any basis approved by the Board (including bonuses or special fee arrangements for meeting financial or other goals). Developer, its affiliates and/or subsidiaries shall have the right to manage Association. Owners and Association acknowledge that it is fair and reasonable to have Developer, its affiliates and/or subsidiaries manage Association. Further, in the event that a Common Area is created by easement, Association's obligations and rights with respect to such Common Area may be limited by the terms of the document creating such easement.

9.8 Use.

9.8.1 Nonexclusive Use. The Common Areas shall be used and enjoyed by the Owners on a non-exclusive basis in common with other persons, entities and corporations (who may, but are not required to be, members of Association) entitled to use those portions of the Common Areas. Prior to the Community Completion Date, Developer, and thereafter, Association, has the right, at any and all times, and from time to time, to further provide and make the Common Areas available to other individuals, persons, firms, or corporations, as it deems appropriate. The granting of such rights shall not invalidate this Declaration, reduce or abate any Owner's obligations pursuant to this Declaration, or give any Owner the right to avoid any of the covenants, agreements or obligations to be performed hereunder. Without limiting the foregoing, Club Owner and all persons having a right to use the Club (whether or not they are Owners or members of the general public) shall have the right to use the Common Areas for pedestrian and vehicular ingress and egress to the Club for all purposes, and for maintenance, repair, and replacement of the Club beyond completion and turnover.

9.8.2 Right to Allow Use. Developer and/or Association may enter into easement agreements or other use or possession agreements whereby the Owners, Telecommunications Providers, Association and/or others may obtain the use, possession of, or other rights regarding certain property, on an exclusive or non-exclusive basis, for certain specified purposes. Association may agree to maintain and pay the taxes, insurance, administration, upkeep, repair, and replacement of such property, the expenses of which shall be Operating Costs. Any such agreement by Association prior to the Community Completion Date shall require the consent of Developer and Club Owner. Thereafter, any such agreement shall require the approval of the majority of the Board of Directors, and the consent of Club Owner, which consent shall not be unreasonably withheld or delayed.

9.8.3 Waterbodies. BY ACCEPTANCE OF A DEED TO A HOME OR LOT, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL WATERBODIES MAY VARY. THERE IS NO GUARANTEE BY DEVELOPER, THE DISTRICT OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT. Developer, the District and Association shall not be obligated to erect fences, gates, or walls around or adjacent to any waterbody within Silver Palms. Notwithstanding the foregoing, an Owner may erect a fence adjacent to the boundary of a waterbody but within the boundary of a Home with the prior approval of the ACC. No fence or other structure may be placed within any lake maintenance easement. Swimming, fishing and boating will not be permitted in any waterbody. No private docks may be erected within any waterbody forming part of the Common Areas. All or a portion of the waterbodies within Silver Palms may be part of the Facilities and owned by the District.

9.8.4 Obstruction of Common Areas. No portion of the Common Areas may be obstructed, encumbered, or used by Owners for any purpose other than as permitted by Association.

9.8.5 Assumption of Risk. Without limiting any other provision herein, each person within any portion of the Common Areas and/or Facilities accepts and assumes all risk and responsibility for noise, liability, injury, or damage connected with use or occupancy of any portion of such Common Areas and/or the Facilities including, without limitation, (a) noise from maintenance equipment, (b) use of pesticides, herbicides and fertilizers, (c) view restrictions caused by maturation or placement of trees and shrubbery, (d) reduction in privacy caused by the removal or pruning of shrubbery or trees within Silver Palms, and (e) design of any portion of Silver Palms. Each person entering onto any portion of Silver Palms also expressly indemnifies and agrees to hold harmless Developer, the District, Association, Club Owner, Club Manager, Builders and their employees, directors, representatives, officers, agents, partners, affiliates and attorneys (collectively, "Indemnified Parties"), from any and all damages, whether direct or consequential, arising from or related to the person's use of the Common Areas, and/or the Facilities, including for attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of

proceedings, including appeals. Without limiting the foregoing, all persons using the Common Areas and/or the Facilities, including without limitation, all waterbodies, lakes, pools or areas adjacent to a lake, do so at their own risk. BY ACCEPTANCE OF A DEED, EACH OWNER ACKNOWLEDGES THAT THE COMMON AREAS MAY CONTAIN WILDLIFE SUCH AS ALLIGATORS, DOGS, RACCOONS, SNAKES, DUCKS, DEER, SWINE, TURKEYS, AND FOXES. DEVELOPER, THE DISTRICT, BUILDERS, ASSOCIATION, CLUB OWNER, AND CLUB MANAGER SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER AND HIS OR HER GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.

9.8.6 Owner's Obligation to Indemnify. Each Owner agrees to indemnify and hold harmless the Indemnified Parties against all actions, injury, claims, loss, liability, damages, costs and expenses of any kind or nature whatsoever ("Losses") incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect, or consequential, as a result of or in any way related to the Common Areas and/or the Facilities including, without limitation, use of the lakes and other waterbodies within Silver Palms by Owners, and their guests, family members, invitees, or agents, or the interpretation of this Declaration and/or exhibits attached hereto and/or from any act or omission of Developer, the District, Builders, Association, Club Owner, or Club Manager or of any of the Indemnified Parties. Should any Owner bring suit against Developer, the District, Builders, Association, Club Owner or Club Manager or any of the Indemnified Parties for any claim or matter and fail to obtain judgment therein against such Indemnified Parties, such Owner shall be liable to such parties for all Losses, costs and expenses incurred by the Indemnified Parties in the defense of such suit, including attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals.

#### 9.9 Rules and Regulations.

9.9.1 Generally. Prior to and including the Turnover Date, Developer, and thereafter Association, shall have the right to adopt Rules and Regulations governing the use of the Common Areas and Silver Palms. The Rules and Regulations need not be recorded in the Public Records. The Common Areas shall be used in accordance with this Declaration and Rules and Regulations promulgated hereunder.

9.9.2 Developer Not Subject to Rules and Regulations. The Rules and Regulations shall not apply to Developer or to any property owned by Developer, and shall not be applied in a manner which would prohibit or restrict the development or operation of the Club or adversely affect the interests of Developer. Without limiting the foregoing, Developer, Builder, their successors and/or assigns, shall have the right to: (i) develop and construct commercial, club uses and industrial uses, Homes, Common Areas and the Club and related improvements within Silver Palms, and make any additions, alterations, improvements, or changes thereto; (ii) maintain sales offices (for the sale and re-sale of (a) Homes and (b) residences and properties located outside of Silver Palms), general office and construction operations within Silver Palms; (iii) place, erect or construct portable, temporary or accessory buildings or structures within Silver Palms for sales, construction storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of any portion of Silver Palms; (v) post, display, inscribe or affix to the exterior of any portion of the Common Areas or portions of Silver Palms owned by Developer, signs and other materials used in developing, constructing, selling or promoting the sale of any portion Silver Palms including, without limitation, Parcels and Homes; (vi) excavate fill from any lakes or waterways within and/or contiguous to Silver Palms by dredge or dragline, store fill within Silver Palms and remove and/or sell excess fill; (vii) grow or store plants and trees within, or contiguous to, Silver Palms and use and/or sell excess plants and trees; and (viii) undertake all activities which, in the sole opinion of Developer, are necessary for the development and sale of any lands and improvements comprising Silver Palms.

9.10 Public Facilities. Silver Palms may include one or more facilities which may be open and available for the use of the general public. By way of example, there may be a public park, fire station, police station, or other facility within the boundaries of Silver Palms; provided, however, no such facility shall result in expense to the general taxpayers of the County or assumption by the County of any responsibility for maintenance of any portion thereof.

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

9.12 Special Taxing Districts. For as long as Developer controls Association, Developer shall have the right, but not the obligation, to dedicate or transfer or cause the dedication or transfer of all or portions of the Common Areas of Association to the District, a special taxing district, or a public agency or authority under such terms as Developer deems appropriate in order to create or contract with special taxing districts and community development districts (or others) for lighting, perimeter walls, entrance features, roads, landscaping, irrigation areas, lakes, waterways, ponds, surface water management systems, wetlands mitigation areas, parks, recreational or other services, security or communications, or other similar purposes deemed appropriate by Developer including, without limitation, the maintenance and/or operation of any of the foregoing; provided, however, that any such dedication or transfer shall not result in expense to the general taxpayers of the County or the assumption by the County of any responsibility for maintenance of any portion of the Common Areas. As hereinafter provided, Developer may sign any taxing district petition as attorney-in-fact for each Owner. Each Owner's obligation to pay taxes associated with such district shall be in addition to such Owner's obligation to pay Assessments. Any special taxing district shall

positively provide for the proper and continuous payment of taxes for Common Areas and maintenance thereof without expense to the general taxpayers of the County and shall be created pursuant to all applicable ordinances of County and all other applicable governing entities having jurisdiction with respect to the same. Although Developer has applied to County for the creation of a multi-purpose special taxing district, such special taxing district is not intended to operate so long as the District operates as contemplated by Section 10 hereof. Developer has also applied for creation of a street lighting special taxing district, which shall operate upon creation.

9.13 Water Transmission and Distribution Facilities Easement and Repair. Developer hereby grants and conveys to County, its successors and assigns, the non-exclusive right, privilege and easement to construct, reconstruct, lay, install, operate, maintain, relocate, repair, replace, improve and inspect water transmission and distribution facilities and sewer collection facilities and all appurtenances thereto, and all appurtenant equipment, with the full right of ingress thereto and egress therefrom, within Silver Palms (excluding such facilities located inside a Home) in accordance with plans approved by Developer or Association. Certain water transmission and distribution facilities and sewer collection facilities may be covered with decorative brick pavers that do not conform to County regulations ("Non-Conforming Pavers") in the course of construction of Homes and Common Areas, as and to the extent permitted under the terms of this Declaration. In the event County or any of its subdivisions, agencies and/or divisions shall damage any Non-Conforming Pavers as a result of construction, repair or maintenance operations of the water and/or sewer facilities or the County's use of its easement rights granted in this Section 9.13, then Association shall replace or repair such damage at the expense of the Owner of the affected Home and such cost shall be billed to such Owner as an Individual Assessment, unless, and only to the extent that, such cost is not paid by County or such other subdivisions, agencies and/or divisions. Association shall indemnify and hold harmless County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorney's fees and costs of defense, which County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance by Association of Association's obligations under this Section 9.13.

9.14 Association's Obligation to Indemnify. Association and Owners each covenant and agree jointly and severally to indemnify, defend and hold harmless Developer, Club Owner and the District, their officers, directors, shareholders, representatives, agents, partners, affiliates and any related persons or corporations and their employees from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life, or damage to property, sustained on or about the Common Areas and/or the Facilities, or other property serving Association, and improvements thereon, or resulting from or arising out of activities or operations of Association or Owners, and from and against all costs, expenses, court costs, attorneys' fees and paraprofessional fees (including, but not limited to, attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals), expenses and liabilities incurred or arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders, judgments or decrees which may be entered relating thereto. The costs and expense of fulfilling this covenant of indemnification shall be Operating Costs to the extent such matters are not covered by insurance maintained by Association.

9.15 Site Plans and Plats. Silver Palms may be subject to one or more plats (each individually, a "Plat"). The Plat may identify some of the Common Areas within Silver Palms. The description of the Common Areas on a Plat is subject to change and the notes on a Plat are not a guarantee of what facilities will be constructed on such Common Areas. Site plans used by Developer in its marketing efforts illustrate the types of facilities which may be constructed on the Common Areas, but such site plans are not a guarantee of what facilities will actually be constructed. Each Owner should not rely on a Plat or any site plans used for illustration purposes as the Declaration governs the rights and obligations of Developer and Owners with respect to the Common Areas.

#### 10. Palm Glade Community Development District.

10.1 Generally. The Palm Glade Community Development District ("District") has been created within Silver Palms. Portions of Silver Palms may be owned by the District including, but not limited to, the roads, drainage system, landscaping and/or utilities. In the event that any portions of Silver Palms are owned by the District, such facilities shall not be part of the Common Areas, but will be part of the infrastructure facilities owned by the District ("Facilities"). AT THIS TIME IT IS NOT KNOWN WHAT PORTIONS OF SILVER PALMS WILL BE DESIGNATED COMMON AREAS OR FACILITIES OF THE DISTRICT. FINAL DETERMINATION OF WHICH PROPERTIES WILL BE COMMON AREAS MAY NOT OCCUR UNTIL THE COMPLETION OF ALL DEVELOPMENT.

10.2 Creation of the District. The District may issue special assessment bonds (the "Bonds") to finance a portion of the cost of the Facilities. The District is an independent, multi-purpose, special district created pursuant to Chapter 190 of the Florida Statutes. The creation of the District puts residential units and non-residential development of Silver Palms under the jurisdiction of the District. The District may be authorized to acquire, finance, fund, install, equip, extend, construct or reconstruct, without limitation, the following: water and sewer facilities, environmental mitigation, roadways, Surface Water Management System, utility plants and lines, and land acquisition, miscellaneous utilities for the community, and other infrastructure projects and services necessitated by the development of, and serving lands within, Silver Palms ("Public Infrastructure"). The estimated design, development, construction and acquisition costs for the Facilities may be funded by the District in one or more series of governmental bond financings utilizing Bonds or other revenue backed bonds. The District may issue both long-term debt and short-term debt to finance the Public Infrastructure. The principal and interest on the Bonds may be repaid through non ad valorem special assessments ("District Debt Service Assessments") levied on all benefiting properties in the District, which properties have been found to be specially benefited by the Public Infrastructure. The principal and interest on the other revenue backed bonds ("District Revenue Bonds") may be repaid through user fees, franchise fees or other use related revenues. In addition to the Bonds issued to fund the Public

Infrastructure costs, the District may also impose an annual non ad valorem special assessment to fund the operations of the District and the maintenance and repair of its Public Infrastructure and services ("District Maintenance Special Assessments").

10.3 District Assessments. The District Debt Service Assessments and District Maintenance Special Assessments will not be taxes but, under Florida law, constitute a lien co-equal with the lien of state, county, municipal, and school board taxes and may be collected on the ad valorem tax bill sent each year by the Tax Collector of County and disbursed to the District, or may be billed directly by the District. The homestead exemption is not applicable to the District Assessments. Because a tax bill cannot be paid in part, failure to pay the District Debt Service Assessments, District Maintenance Special Assessments, or any other portion of the tax bill will result in the sale of tax certificates and could ultimately result in the loss of title to the property of the delinquent taxpayer through the issuance of a tax deed. District Revenue Bonds are not taxes or liens on property. If the fees and user charges underlying the District Revenue Bonds are not paid, then such fees and user charges could become liens on the property which could ultimately result in the loss of title to the property through the issuance of a tax deed. It is anticipated, but not guaranteed, that the initial amount of the District Debt Service Assessments will not exceed \$1,242.00 per year per Home. It is anticipated, but not guaranteed, that the initial amount of the District Maintenance Special Assessments will not exceed \$61.00 per year per Home. Such amounts may vary from year to year and from time to time. The actual amount of District Debt Service Assessments will be set forth in the District Assessment Methodology Report. District Maintenance Special Assessments relating to Facilities will be determined by the District. Any future District Assessments and/or other charges due with respect to the Facilities are direct obligations of each Owner and are secured by a lien against the Home as set forth in this Section. Failure to pay such sums may result in loss of property as set forth in this Section. The District may construct, in part or in whole, by the issuance of Bonds (as explained in Section 10.2 above), certain Facilities including, but not limited to, roads, utilities, landscaping and/or drainage system, as the District determines in its sole discretion.

10.4 Common Areas and Facilities Part of District. Portions of the Common Areas may be conveyed by Developer to the District. Such Facilities will be part of the District and the District shall govern the use and maintenance of the Facilities. In the event that Developer conveys certain Facilities to the District, some of the provisions of this Declaration will not apply to such Facilities, as the Facilities will no longer be Common Areas. By way of example and not of limitation, the procedures set forth in Section 9.4 herein respecting Developer's obligation to convey the Common Areas will not apply to the Facilities. ANY CONVEYANCE OF COMMON AREAS TO THE DISTRICT SHALL IN NO WAY INVALIDATE THIS DECLARATION. Developer may decide, in its sole discretion, to convey additional portions of the Common Areas to either the District or Association, thereby making such Common Areas part of the District's Facilities. The District or Association may promulgate membership rules, regulations and/or covenants which may outline use restrictions for the Facilities, or Association's responsibility to maintain the Facilities, if any. The establishment of the District and the inclusion of Facilities in the District will obligate each Owner to become responsible for the payment of District Debt Service Assessments and the District Maintenance Special Assessments for the acquisition, construction, reconstruction and equipping of the Facilities as set forth in this Section.

10.5 Facilities Owned by District. The Facilities may be owned and operated by the District or owned by the District and managed by Association. The Facilities may also be owned by a governmental entity other than the District. The Facilities shall be used and enjoyed by the Owners, on a non-exclusive basis, in common with such other persons, entities, and corporations that may be entitled to use the Facilities.

#### 11. Maintenance by Association.

11.1 Common Areas. Except as otherwise specifically provided in this Declaration to the contrary, Association shall at all times maintain, repair, replace and insure the Common Areas including, without limitation, all improvements placed thereon.

11.2 District Facilities. The District may contract with Association for maintenance, repair and replacement of District Facilities in the District's sole discretion.

11.3 Drainage. Association shall at all times maintain the drainage systems and drainage facilities within the Common Areas.

11.4 Canvas Canopies. Association shall be responsible for the removal of all canvas canopies including, but not limited to, mailbox and entrance canopies, if any, located within the Common Areas in the event winds exceed fifty (50) miles per hour. The expense of such removal shall be part of Operating Costs of Association. Additionally, under the same wind conditions, each Owner shall be responsible, at its sole cost and expense, for the removal of all canvas canopies located within its respective Home and yard.

11.5 Maintenance of Lawn and Landscaping. Association shall be responsible for maintaining all exterior landscaping within the Front Yard of Homes and Lots including cutting, edging and fertilizing grass. Association shall be responsible for the maintenance of the sprinkler system serving the private roads located within Silver Palms and the entrances for Silver Palms. The Owner of each Home shall be responsible for any or all landscaping and other improvements within any fenced portion of the Lot. In the event grass in a fenced portion of the Lot is not maintained, Association may, but shall not be obligated to, cut the grass. The costs and expenses of such maintenance plus \$25.00 (or such other amount determined by Association in its sole discretion) shall be charged to such Owner as an Individual Assessment.

11.6 Public Roads. It is possible that either the District or Association may maintain the medians and swales of all public roads pursuant to agreement with the appropriate governmental entities. The costs of such maintenance by Association shall be Operating Costs. The costs of such maintenance by the District shall be part of District Maintenance Special Assessments.

11.7 Private Roads. All roads which are privately owned shall be maintained by Association or District or an entity other than County.

11.8 Surface Water Management System.

11.8.1 Duty to Maintain. The Surface Water Management System within Silver Palms will be owned, maintained and operated by Association or the District as permitted by the SFWMD. If owned by Association as Common Areas, the costs of the operation and maintenance of the Surface Water Management System shall be part of the Operating Costs of Association. If owned by the District as part of the Facilities, the costs of the operation and maintenance of the Surface Water Management System may be part of the District Maintenance Special Assessments. Notwithstanding the foregoing, the SFWMD has the right to take enforcement action, including a civil action for an injunction and penalties against Association to compel it to correct any outstanding problems with the Surface Water Management System facilities or in mitigation or conservation areas under the responsibility or control of Association. Association shall accept any and all transfers of permits from Developer. Association shall cooperate with Developer with any applications, certifications, documents or consents required to effectuate any such transfer of permit to Association.

11.8.2 Amendments to Association Documents. Any proposed amendment to the Association Documents which will affect the Surface Water Management System, including any environmental conservation area and the water management portions of the Common Areas, must have the prior written approval of the SFWMD. Association's registered agent shall maintain copies of all Surface Water Management System permits and correspondence respecting such permits, and any future SFWMD permit actions shall be maintained by Association's registered agent for Association's benefit.

11.9 Adjoining Areas. Except as otherwise provided herein, Association shall also maintain those drainage areas, swales, lake maintenance easements, driveways, lake slopes and banks, and landscape areas that are within the Common Areas and immediately adjacent to a Home, provided that such areas are readily accessible to Association. Association shall have no responsibility for the Facilities except and to the extent provided in any agreement between Association and the District. Under no circumstances shall Association be responsible for maintaining any inaccessible areas within fences or walls that form a part of a Home.

11.10 Negligence. The expense of any maintenance, repair or construction of any portion of the Common Areas necessitated by the negligent or willful acts of an Owner, or persons utilizing the Common Areas, through or under an Owner, shall be borne solely by such Owner and the Home and/or Lot owned by that Owner shall be subject to an Individual Assessment for that expense. By way of example, and not of limitation, an Owner shall be responsible for the removal of all landscaping and structures placed within easements or Common Areas without the prior written approval of Association.

11.11 Right of Entry. Developer, Club Owner, and Association are granted a perpetual and irrevocable easement over, under and across Silver Palms for the purposes herein expressed, including, without limitation, for inspections to ascertain compliance with the provisions of this Declaration, and for the performance of any right, obligation, maintenance, alteration or repair which it is entitled to perform. Without limiting the foregoing, Developer specifically reserves easements for all purposes necessary to comply with any governmental requirement or to satisfy any condition that is a prerequisite for a governmental approval. By way of example, and not of limitation, Developer may construct, maintain, repair, alter, replace and/or remove improvements; install landscaping; install utilities; and/or remove structures on any portion of Silver Palms if Developer is required to do so in order to obtain the release of any bond posted with any governmental agency.

11.12 Maintenance of Property Owned by Others. Association shall, if designated by Developer (or by Association after the Community Completion Date), by amendment to this Declaration or any document of record including, without limitation, declaration(s) of condominium, maintain vegetation, landscaping, sprinkler system, community identification/features and/or other areas or elements designated by Developer (or by Association after the Community Completion Date) upon areas which are within or outside of Silver Palms and which are owned by, or dedicated to, others including, but not limited to, a utility, governmental or quasi-governmental entity so as to enhance the appearance of Silver Palms. These areas may include (by way of example and not limitation) swale areas, landscape buffer areas, berm areas or median areas within the right-of-way of public streets, roads, drainage areas, community identification or features, community signage or other identification and/or areas within canal rights-of-ways or other abutting waterways. To the extent there is any agreement between Developer and Association for the maintenance of any lakes or ponds outside Silver Palms, Association shall maintain the same as part of the Common Areas.

12. Party Walls. The provisions of this Section 12 shall apply to Townhomes only.

12.1 General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Section, the general rule of law regarding Party Walls and liability for personal damage due to negligence of willful acts or omissions shall apply to all Party Walls within Silver Palms which are built by Developer as part of the original construction of the Townhomes and any replacement thereof. In the event any portion of any structure or facility, as originally constructed by Developer including, without limitation, any Party Wall, shall protrude over an adjoining Home, it shall be deemed that such Owners have granted perpetual easements to the adjoining Owner or Owners for

continuing maintenance and use of the projection or Party Wall. The foregoing shall also apply to any replacements of any Party Walls. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of this Declaration.

12.2 Painting. Association shall be responsible for painting Townhome Buildings as part of Association's Operating Costs.

12.3 Sharing of Repair, Replacement and Maintenance for Party Walls.

12.3.1 Generally. The cost of reasonable repair and maintenance of Party Walls (other than painting) shall be shared equally by the Owners of the Homes sharing such improvements without prejudice, however, to the right of any Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

12.3.2 Failure to Contribute. In the event that an Owner shall fail or refuse to pay his pro rata share of costs of repair, maintenance or replacement of a Party Wall (whether or not through his own fault or the failure of his insurance company to pay any claim), then and in that event, the Owner advancing monies therefor shall have a right to file a claim of lien for such monies advanced in the Public Records and shall have the right to foreclose said lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a construction lien; provided, however, such claim of lien shall be filed within ninety (90) days from date repairs or replacements are made to Party Wall and suit thereon shall be commenced one (1) year from date such lien is filed. Notwithstanding the foregoing, Association shall have the right, but not the obligation, to advance monies for the repair, replacement and/or maintenance of Party Wall(s) and charge the responsible Owner(s) an Individual Assessment for such Owner's pro rata share of the costs.

12.3.3 Alterations. The Owner of a Home sharing a Party Wall with an adjoining Home shall not cut windows or other openings in the Party Wall, nor make any alterations, additions or structural changes in the Party Wall without the joint agreement of all of the Owners sharing the Party Wall.

12.3.4 Weatherproofing. Notwithstanding any other provisions of this Declaration, an Owner who by his negligent or willful act causes a Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

12.3.5 Easements. Each Owner sharing a Party Wall shall have all easement rights reasonably necessary to perform the obligations contained herein over the Homes sharing the Party Wall.

13. Party Roofs. The provisions of this Section 13 shall apply to Townhomes only.

13.1 General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Section, the general rule of law regarding Party Roofs and liability for personal damage due to negligence of willful acts or omissions shall apply to all Party Roofs within Silver Palms which are built by Developer as part of the original construction of the Homes and any replacement thereof. In the event any portion of any structure or facility, as originally constructed by Developer including, without limitation, any Party Roof, shall protrude over an adjoining Home, it shall be deemed that such Owners have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the protruding structure, facility or Party Roof. The foregoing shall also apply to any replacements of Party Roofs. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of this Declaration.

13.2 Sharing of Repair, Replacement and Maintenance for Party Roofs.

13.2.1 Generally. The cost of reasonable repair and maintenance of Party Roofs shall be shared equally by the Owners of the Homes sharing such improvements without prejudice, subject however, to the right of any Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

13.2.2 Failure to Contribute. In the event that an Owner fails or refuses to pay his or her pro rata share of costs to repair, maintain and/or replace his or her portion of the Party Roof (whether or not through his or her own fault or the failure of his or her insurance company to pay any claim), then and in that event, the Owner advancing monies therefor shall have the right to file a claim of lien in the Public Records for such monies advanced and shall have the right to foreclose such lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a construction lien; provided, however, such claim of lien shall be filed within ninety (90) days from the date repairs, replacements and/or maintenance are made to the Party Roof and the suit thereon shall be commenced one (1) year from the date such lien is filed. Notwithstanding the foregoing, Association shall have the right, but not the obligation, to advance monies for the repair, replacement and/or maintenance of Party Roof(s) and charge the responsible Owner(s) an Individual Assessment for such Owner's pro rata share of the costs.

13.3 Alterations. Subject to applicable building codes, the Owner of a Home sharing a Party Roof with an adjoining Home shall not make any alterations, additions or structural changes in the Party Roof without the written consent of the ACC.

13.4 Easements. Each Owner sharing a Party Roof shall have all easement rights reasonably necessary to perform the obligations contained herein over the Homes sharing the Party Roof.

14. Maintenance by Owners. All lawns, landscaping and sprinkler systems and any property, structures, improvements and appurtenances not maintained by Association shall be well maintained and kept in first class, good, safe, clean, neat and attractive condition consistent with the general appearance of Silver Palms by the Owner of each Home. Each Owner is specifically responsible for maintaining all grass, landscaping and improvements within any portion of a Home that is fenced.

14.1 Lawn Maintenance Standards. The following maintenance standards (the "Lawn Maintenance Standards") apply to landscaping maintained by Owners.

14.1.1 Trees. Trees are to be pruned as needed.

14.1.2 Shrubs. All shrubs are to be trimmed as needed.

14.1.3 Grass.

14.1.3.1 Cutting Schedule. Grass shall be maintained in a neat and appropriate manner. In no event shall an Owner's lawn get in excess of five inches (5") in height.

14.1.3.2 Edging. Edging of all streets, curbs, beds and borders shall be performed as needed. Chemical edging shall not be permitted.

14.1.3.3 Dead Grass. Owner shall be responsible to replace dead grass. Neither Developer nor Association shall be responsible to replace dead grass.

14.1.4 Mulch. Mulch is to be turned four (4) times per year and shall be replenished as needed on a yearly basis.

14.1.5 Insect Control and Disease. Disease and insect control shall be performed on an as needed basis.

14.1.6 Fertilization. Fertilization of all turf, trees, shrubs, and palms shall be performed at a minimum of three (3) times a year during the following months: February, June and October.

14.1.7 Irrigation. Owners shall be responsible to irrigate grass. Sprinkler heads shall be maintained on a monthly basis. Pump stations and valves shall be checked as needed by an independent contractor to assure proper automatic operation.

14.1.8 Weeding. All beds are to be weeded upon every cut. Weeds growing in joints in curbs, driveways, and expansion joints shall be removed as needed. Chemical treatment is permitted.

14.1.9 Trash Removal. Dirt, trash, plant and tree cuttings and debris resulting from all operations shall be removed and all areas left in clean condition before the end of the day.

14.1.10 Right of Association to Enforce. Each Owner grants Association an easement over his or her Home for the purpose of insuring compliance with the requirements of this provision and the Lawn Maintenance Standards. In the event an Owner does not comply with this Section, Association may perform the necessary maintenance to the lawn and charge the costs thereof to the non-complying Owner as an Individual Assessment. Association shall have the right to enforce the foregoing Lawn Maintenance Standards by all necessary legal action. In the event that Association is the prevailing party with respect to any litigation respecting the Lawn Maintenance Standards, it shall be entitled to recover all of its attorneys' fees and paraprofessional fees, and costs, pre-trial and at all levels of proceedings, including appeals.

14.1.11 Landscaping and Irrigation of Lots; Removal of Sod and Shrubbery; Additional Planting.

14.1.11.1 Without the prior consent of the ACC, no sod, topsoil, tree or shrubbery shall be removed from Silver Palms, and there shall be no change in the plant landscaping, elevation, condition of the soil or the level of the land of such areas which results in any change in the flow and drainage of surface water which the ACC, in its sole discretion, considers detrimental or potentially detrimental to person or property. Notwithstanding the foregoing, Owners who install improvements to the Home (including, without limitation, concrete or brick pavers) which result in any change in the flow and/or drainage of surface water shall be responsible for all of the costs of drainage problems resulting from such improvement. Further, in the event that such Owner fails to pay for such required repairs, each Owner agrees to reimburse the Association for all expenses incurred in fixing such drainage problems including, without limitation, removing excess water and/or repairing the Surface Water Management System.

14.1.11.2 No landscape lighting shall be installed by an Owner without the prior written approval of the ACC.

14.2 Lake and Canal Common Areas. The rear yard of some Homes may contain lake slopes. To the extent that such lake slopes comprise part of the Facilities, they will be regulated by the District. Association shall maintain such lake slopes contained in the Common Areas, as part of its Operating Expense. Association may establish from time to time maintenance standards for the lake and canal maintenance by Owners who own Homes adjacent to Common Area waterbodies (the "Lake Slope Maintenance Standards"). Such standards may include requirements respecting compaction and strengthening of lake banks. Association shall have the right to inspect

such lake and canal slopes and banks to insure that each Owner has complied with its obligations hereunder and under the Lake Slope Maintenance Standards. Each Owner hereby grants Association an easement of ingress and egress across his or her Home to all adjacent lake and canal areas for the purpose of insuring compliance with the requirements of this provision and the Lake Slope Maintenance Standards. For the purposes of this Declaration, each day that an Owner fails to comply with the requirements of this paragraph or any Lake Slope Maintenance Standards shall be deemed a separate and independent violation of this Declaration.

14.3 Weeds and Refuse. No weeds, underbrush, or other unsightly growth shall be permitted to be grown or remain upon any Home. No refuse or unsightly objects shall be allowed to be placed or suffered to remain upon any Home.

14.4 Driveway and Sidewalk Easement. Each Owner shall be responsible to timely repair, maintain and/or replace the driveway which comprises part of a Home and the sidewalk abutting the Front Yard or side of the Home including, but not limited to, any damage caused by Developer, Association or by the holder of any easement over which such driveway or sidewalk is constructed. Each Owner, by acceptance of a deed to a Home, shall be deemed to have agreed to indemnify and hold harmless Developer, Association and the holder of any such easement including, without limitation, all applicable utility companies and governmental agencies, their agents, servants, employees and elected officials, from and against any and all actions or claims whatsoever arising out of the use of the Common Areas and any easement or the construction and/or maintenance of any driveway or sidewalk in that portion of the Common Areas, easement area, or in a public right-of-way between the boundary of such Owner's Home and the edge of the adjacent paved roadway. Further, each Owner agrees to reimburse Association any expense incurred in repairing any damage to such driveway or sidewalk in the event that such Owner fails to make the required repairs, together with interest at the highest rate allowed by law.

15. Use Restrictions. Each Owner must comply with the following:

15.1 Alterations and Additions. No alteration, addition or modification to a Lot or Home, or change in the appearance thereof, shall be made without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration.

15.2 Animals. No animals of any kind shall be raised, bred or kept within Silver Palms for commercial purposes. Association may prohibit breeds of dogs that the Board considers dangerous in its sole discretion. Otherwise, Owners may keep domestic pets as permitted by County ordinances and otherwise in accordance with the Rules and Regulations established by the Board from time to time. Notwithstanding the foregoing, pets may be kept or harbored in a Home only so long as such pets or animals do not constitute a nuisance. A determination by the Board that an animal or pet kept or harbored in a Home is a nuisance shall be conclusive and binding on all parties. All pets shall be walked on a leash. No pet shall be permitted outside a Home unless such pet is kept on a leash or within an enclosed portion of the yard of a Home, as approved by the ACC. No pet or animal shall be "tied out" on the exterior of the Home or in the Common Areas, or left unattended in a yard or on a balcony, porch, or patio. No dog runs or enclosures shall be permitted on any Home. When notice of removal of any pet is given by the Board, the pet shall be removed within forty-eight (48) hours of the giving of the notice. All pets shall defecate and urinate only in the "pet walking" areas within Silver Palms designated for such purpose, if any, or on that Owner's Home. The person walking the pet or the Owner shall clean up all matter created by the pet. Each Owner shall be responsible for the activities of its pet. Notwithstanding anything to the contrary, seeing-eye dogs shall not be governed by the restrictions contained in this Section.

15.3 Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained upon the exterior portion of any Home or Lot, unless approved by the ACC.

15.4 Cars and Trucks.

15.4.1 Parking. Owners' automobiles shall be parked in the garage or driveway, if provided, and shall not block the sidewalk. No vehicles of any nature shall be parked on any portion of Silver Palms or a Lot except on the surfaced parking area thereof. All lawn maintenance vehicles shall park on the driveway of the Home and not in the roadway or swale. To the extent Silver Palms has any guest parking, Owners are prohibited from parking in such guest parking spaces. No vehicles used in business for the purpose of transporting goods, equipment and the like, or any trucks or vans which are larger than one (1) ton shall be parked in Silver Palms except during the period of a delivery. Recreational vehicles, personal street vans, personal trucks of one (1) ton capacity or smaller, and personal vehicles that can be appropriately parked within standard size parking stalls may be parked in Silver Palms.

15.4.2 Repairs and Maintenance of Vehicles. No vehicle which cannot operate on its own power shall remain within Silver Palms for more than twelve (12) hours, except in the garage of a Home. No repair or maintenance, except emergency repair, of vehicles shall be made within Silver Palms, except in the garage of a Home. No vehicles shall be stored on blocks. No tarpaulin covers on vehicles shall be permitted anywhere within the public view.

15.4.3 Prohibited Vehicles. No commercial vehicle, limousine, boat, trailer including, but not limited to, boat trailers, house trailers, and trailers of every other type, kind or description, or camper, may be kept within Silver Palms except in the garage of a Home. Notwithstanding the foregoing, a boat and/or boat trailer may be kept within the fenced yard of a Home so long as the boat and/or boat trailer, when located within a fenced yard, are fully screened from view by such fence. The term commercial vehicle shall not be deemed to include law enforcement vehicles or recreational or utility vehicles (*i.e.*, Broncos™, Blazers™, Explorers™, Navigators™, etc.)

or clean "non-working" vehicles such as pick-up trucks, vans, or cars if they are used by the Owner on a daily basis for normal transportation. Notwithstanding any other provision in this Declaration to the contrary, the foregoing provisions shall not apply to construction vehicles in connection with the construction, improvement, installation, or repair by Developer, Club Owner or Builder of Homes, the Club, Common Areas, or any other Silver Palms facility. No vehicles displaying commercial advertising shall be parked within the public view. No vehicles bearing a "for sale" sign shall be parked within the public view anywhere on Silver Palms. For any Owner who drives an automobile issued by the County or other governmental entity (i.e., police cars), such automobile shall not be deemed to be a commercial vehicle and may be parked in the garage or driveway of the Home. No vehicle shall be used as a domicile or residence either temporarily or permanently. No vehicles with expired registration or license plates may be kept within public view anywhere on Silver Palms.

15.5 Casualty Destruction to Improvements. In the event that a Home or other improvement is damaged or destroyed by casualty loss or other loss, then within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged Home or improvement and diligently continue such rebuilding or repairing until completion, or properly clear the damaged Home or improvement and restore or repair the Home as set forth in Section 16.2.2 herein and as approved by the ACC. As to any such reconstruction of a destroyed Home or improvements, the same shall only be replaced as approved by the ACC.

15.6 Commercial Activity. Except for normal construction activity, sale, and re-sale of a Home, sale or re-sale of other property owned by Developer, and administrative offices of Developer or Builders and operation of the Club, no commercial or business activity shall be conducted in any Home within Silver Palms. Notwithstanding the foregoing, and subject to applicable statutes and ordinances, an Owner may maintain a home business office within a Home for such Owner's personal use; provided, however, business invitees, customers, and clients shall not be permitted to meet with Owners in Homes unless the Board provides otherwise in the Rules and Regulations. No Owner may actively engage in any solicitations for commercial purposes within Silver Palms. No solicitors of a commercial nature shall be allowed within Silver Palms, without the prior written consent of Association. No garage or yard sales are permitted, except as permitted by Association. No day care center or facility may be operated out of a Home. Prior to the Community Completion Date, Association shall not permit any garage or yard sales without the prior written consent of Developer.

15.7 Completion and Sale of Homes. No person or entity shall interfere with the completion and sale of Homes within Silver Palms. WITHOUT LIMITING THE FOREGOING, EACH OWNER, BY ACCEPTANCE OF A DEED TO A HOME, AGREES THAT ACTIONS OF OWNERS MAY IMPACT THE VALUE OF HOMES; THEREFORE EACH OWNER IS BENEFITED BY THE FOLLOWING RESTRICTION: PICKETING AND POSTING OF NEGATIVE SIGNS OR POSTING OF NEGATIVE WEBSITES ON THE INTERNET, NEGATIVE ADVERTISING AND NEGATIVE INFORMATION PROVIDED OR POSTED AT PUBLIC GATHERINGS ARE STRICTLY PROHIBITED IN ORDER TO PRESERVE THE VALUE OF THE HOMES IN SILVER PALMS AND THE RESIDENTIAL ATMOSPHERE THEREOF.

15.8 Control of Contractors. Except for direct services which may be offered to Owners (and then only according to the Rules and Regulations relating thereto as adopted from time to time), no person other than an Association officer or representative of the management company retained by Association shall direct, supervise, or in any manner attempt to assert any control over any contractor of Association.

15.9 Cooking. No cooking shall be permitted nor shall any goods or beverages be consumed on the Common Areas except in areas designated for those purposes by Association. The ACC shall have the right to prohibit or restrict the use of grills or barbecue facilities throughout Silver Palms.

15.10 Decorations. No decorative objects including, but not limited to, birdbaths, figurines, wind chimes, light fixtures, sculptures, statues, weather vanes, or flagpoles shall be installed or placed within or upon any portion of Silver Palms without the prior written approval of the ACC. Notwithstanding the foregoing, no statues, sculptures or birdbaths of any kind can be installed or placed within the Front Yard or visible from the street. Notwithstanding the foregoing, holiday lighting and decorations shall be permitted to be placed upon the exterior portions of the Home and upon the Lot in the manner permitted hereunder commencing on Thanksgiving and shall be removed no later than January 15th of the following year. The ACC may establish standards for holiday lights. The ACC may require the removal of any lighting that creates a nuisance (e.g., unacceptable spillover to adjacent Home).

15.11 Disputes as to Use. If there is any dispute as to whether the use of any portion of Silver Palms complies with this Declaration, such dispute shall, prior to the Community Completion Date, be decided by Developer, and thereafter by Association. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

15.12 Drainage System. Drainage systems and drainage facilities may be part of the Common Areas, Facilities and/or Homes. Once drainage systems or drainage facilities are installed by Developer, the maintenance of such systems and/or facilities thereafter shall be the responsibility of the Association. In the event that such system or facilities (whether comprised of swales, pipes, pumps, waterbody slopes, or other improvements) is adversely affected by landscaping, fences, structures (including, without limitation, pavers), or additions, the cost to correct, repair, or maintain such drainage system and/or facilities shall be the responsibility of the Owner of each Home containing all or a part of such drainage system and/or facilities. By way of example, and not of limitation, if the Owner of one Home plants a tree (pursuant to ACC approval) and the roots of such tree subsequently affect pipes or other drainage facilities within another Home, the Owner that plants the tree shall be solely responsible for the removal of the roots which adversely affects the adjacent Home. Likewise, if the roots of a tree located within the Common Areas adversely affect an adjacent Home, Association shall be responsible for the removal of the roots

and the costs thereof shall be Operating Costs. Notwithstanding the foregoing, the District and Developer shall have no responsibility or liability for drainage problems of any type whatsoever.

15.13 Driveway Repair. Each Owner shall be responsible to timely repair, maintain and/or replace the driveway comprising part of a Home including, but not limited to, any damage caused by Developer, Association or by the holder of any easement over which such driveway is constructed. Each Owner, by acceptance of a deed to a Home, shall be deemed to have agreed to indemnify, defend and hold harmless Association and the holder of any such easement including, without limitation, all applicable utility companies and governmental agencies, their agents, servants, employees and elected officials, from and against any and all actions or claims whatsoever arising out of the use of the Common Areas and any easement or the construction and/or maintenance of any driveway in that portion of the Common Areas, easement area, or in a public right-of-way between the boundary of such Owner's Home and the edge of the adjacent paved roadway. Further, each Owner agrees to reimburse Association any expense incurred in repairing any damage to such driveway in the event that such Owner fails to make the required repairs, together with interest at the highest rate allowed by law.

15.14 Easement for Unintentional and Non-Negligent Encroachments. If any other building or improvement on a Home shall encroach upon another Home by reason of original construction by Developer, then an easement for such encroachment shall exist so long as the encroachment exists. It is contemplated that each Home shall contain an improvement with exterior walls, footings, and other protrusions which may pass over or underneath an adjacent Home. A perpetual nonexclusive easement is herein granted to allow the footers for such walls and other protrusions and to permit any natural water run off from roof overhangs, eaves and other protrusions onto an adjacent Home.

15.15 Extended Vacation and Absences. In the event a Home will be unoccupied for an extended period, the Home must be prepared prior to departure by: (i) notifying Association in writing; (ii) removing all removable furniture, plants and other objects from outside the Home; and (iii) designating a responsible firm or individual to care for the Home, should the Home suffer damage or require attention, and providing a key to that firm or individual. The name of the designee shall be furnished to Association. Neither Association nor Developer shall have any responsibility of any nature relating to any unoccupied Home.

15.16 Fences/Walls/Screens. No walls or fences shall be erected or installed without prior written consent of the ACC. No chain link fencing of any kind shall be allowed. No Lot shall have any chain link fencing within its boundaries. All screening and screened enclosures shall require the prior written approval of the ACC and shall be constructed utilizing white aluminum. Screening shall be charcoal in color. All enclosures of balconies or patios, including, without limitation addition of vinyl windows, and decks shall require the prior written approval of the ACC. In the event a fence is installed within a drainage easement area with prior ACC approval, the Owner is solely responsible for fence repair or replacement if the drainage easement area needs to be accessed or as otherwise provided in Section 15.12 hereof.

15.17 Fuel Storage. No fuel storage shall be permitted within Silver Palms, except as may be necessary or reasonably used for swimming pools, spas, barbecues, fireplaces or similar devices.

15.18 Garages. Each Home shall have its own garage. No garage shall be converted into a general living area unless specifically approved by the ACC. Garage doors shall remain closed at all times except when vehicular or pedestrian access is required.

15.19 Garbage Cans. Trash collection and disposal procedures established by Association shall be observed. It is possible Association may provide for garbage pick-up, the cost of which shall be Operating Costs. No outside burning of trash or garbage is permitted. No garbage cans, supplies or other similar articles shall be maintained on any Home so as to be visible from outside the Home, Lot or Parcel. Each Owner shall be responsible for properly depositing his or her garbage and trash in garbage cans and trash containers sufficient for pick-up by the appropriate collection agencies in accordance with the requirements of any such agency. All such trash receptacles shall be maintained in a sanitary condition and shall be shielded from the view of adjacent properties and streets. Garbage cans and trash containers shall not be placed outside the Home for pick-up earlier than 6:00 p.m. on the day preceding the pick-up, and must be returned to the Homes so that they are not visible from outside the Home on the day of pick up.

15.20 General Use Restrictions. Each Home, the Common Areas and any portion of Silver Palms shall not be used in any manner contrary to the Association Documents.

15.21 Hurricane Shutters. Any hurricane shutters or other protective devices visible from outside a Home shall be of a type as approved in writing by the ACC. Panel, accordion and roll-up style hurricane shutters may not be left closed during hurricane season (nor at any other time). Any such approved hurricane shutters may be installed or closed up to forty-eight (48) hours prior to the expected arrival of a hurricane and must be removed or opened within seventy-two (72) hours after the end of a hurricane watch or warning or as the Board may determine otherwise. Except as the Board may otherwise decide, shutters may not be closed at any time other than a storm event. Any approval by the ACC shall not be deemed an endorsement of the effectiveness of hurricane shutters.

15.22 Irrigation. The water used in the irrigation system is not suitable for drinking or water sports. Children and pets should not play in such water. Due to water quality, irrigation systems may cause staining on Homes, other structures, paved areas, or vehicles. It is each Owner's responsibility to treat and remove any such staining. Association may require from time to time, that Owners adopt systems to prevent stains (e.g., automatic deionization systems). The yard of each Home may be equipped with irrigation lines, depending on the model of the Home. No Owner whose Home adjoins a waterway or lake may utilize the waterway or lake to irrigate unless so

provided by Developer as part of original construction, subject to applicable permitting. Any use of lake water is at the Owner's sole risk as chemicals are used to control aquatic vegetation in lakes. Association and Club Owner may use waterways and lakes to irrigate Common Areas and/or the Club, as applicable subject to applicable permitting and Developer shall not be liable for same. BY ACCEPTANCE OF A DEED TO A HOME OR PARCEL, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL LAKES AND WATERBODIES MAY VARY. THERE IS NO GUARANTEE BY DEVELOPER OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME. Developer, Association, and/or Club Owner shall have the right to use one or more pumps to remove water from lakes and waterbodies for irrigation purposes at all times, subject to applicable permitting. Developer may utilize a computerized loop system to irrigate the Common Areas and/or Homes. Any computerized loop irrigation system that is not specifically the maintenance obligation of an Owner shall be the maintenance obligation of Association and shall be deemed part of the Common Areas.

15.23 Laundry. Subject to the provisions of Section 163.04 of the Florida Statutes, to the extent applicable, no rugs, mops or laundry of any kind, or any other similar type article, shall be shaken, hung or exposed so as to be visible outside the Home, Lot or Parcel. Clotheslines may be installed in the rear yard of a Home so long as not visible from the front of the Home.

15.24 Lawful Use. No immoral, improper, offensive, unlawful or obnoxious use shall be made in any portion of Silver Palms. All laws, zoning ordinances and regulations of all governmental entities having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental entities for maintenance, modification or repair of a portion of Silver Palms shall be the same as the responsibility for maintenance and repair of the property concerned.

15.25 Leases. Homes may be leased, licensed or occupied only in their entirety and no fraction or portion may be rented. No bed and breakfast facility may be operated out of a Home. Individual rooms of a Home may not be leased on any basis. No transient tenants may be accommodated in a Home. All leases or occupancy agreements shall be in writing and a copy of all leases of Homes shall be provided to Association. All leases shall be on forms approved by Association and shall provide that Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of the Association Documents or other applicable provisions of any agreement, document or instrument governing Silver Palms or administered by Association. Owners are responsible for providing their tenants with copies of all such documents or instruments at such Owner's sole cost and expense. Leasing of Homes shall also be subject to the prior written approval of Association, as more particularly explained in Section 26 hereof. No Home may be subject to more than two (2) leases in any twelve (12) month period, regardless of the lease term. No lease term shall be less than ninety (90) days. No subleasing or assignment of lease rights by the tenant is permitted. No time-share or other similar arrangement is permitted. In no event shall occupancy of a leased Home (except for temporary occupancy by visiting guests) exceed two (2) persons per bedroom. Each Owner shall be jointly and severally liable with the tenant to Association for all costs incurred by Association for the repair of any damage to Common Areas or to pay any claim for injury or damage to property caused by tenants. Association shall repair any such damage and the cost of such repair shall be invoiced as an Individual Assessment to the Owner. Additionally, as a condition to the approval by Association of a proposed lease of a Home, Association has the authority to require that a security deposit in an amount not to exceed the equivalent of one (1) month's rent be deposited into an account maintained by Association. The security deposit shall protect against damages to the Common Areas or Association Property. A security deposit held by Association under this Section shall be governed by Chapter 83 of the Florida Statutes, as it may be renumbered from time to time. Association may also charge a reasonable fee of no more than One Hundred (\$100.00) dollars to offset the costs of a background check on tenant. All leases shall also comply with and be subject to the provisions of Section 26 hereof. Notwithstanding the foregoing, this Section shall not apply to a situation where an Owner or resident of a Home receives in-home care by a professional caregiver residing within the Home.

15.26 Minor's Use of Facilities. Each Owner shall be responsible for all actions of minor children dwelling in and/or visiting his/her Home. Developer, Association and Club Owner shall not be responsible for any use of the facilities by anyone, including minors. The use of powered scooters, ATV's, ATC's and/or other motorized vehicles shall be prohibited in the facilities and Common Areas. Children under the age of sixteen (16) shall be accompanied by an adult at all times.

15.27 Nuisances. No nuisance or any use or practice that is the source of unreasonable annoyance to others or which interferes with the peaceful possession and proper use of Silver Palms is permitted. No firearms or fireworks shall be discharged within Silver Palms. Nuisances shall include, without limitation, the playing of loud music or the gathering in front of Homes or Common Areas by any Owner or permitted occupant thereof, his/her immediate family, guests, tenants and invitees. Nothing shall be done or kept within the Common Areas, or any other portion of Silver Palms, including a Home or Lot which will increase the rate of insurance to be paid by Association.

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

15.29 Paint. Townhomes shall be painted by Association pursuant to Section 12.2 hereof. The exterior of any Townhome Building shall be uniformly maintained including, but not limited to, pressure cleaning, all of which may be required to be performed at the same time by the same contractor as required by the ACC. All other Homes shall be repainted and/or pressure cleaned within forty-five (45) days of notice by the ACC.

15.30 Personal Property. All personal property of Owners or other occupants of Homes shall be stored within the Homes. No personal property may be stored on, nor any use made of, the Common Areas, any Lot or Home, or any other portion of Silver Palms, which is unsightly or which interferes with the comfort and convenience of others.

15.31 Pools. No above-ground pools shall be permitted. All in-ground pools, hot tubs, spas and appurtenances installed shall require the prior written approval of the ACC as set forth in this Declaration. The design must incorporate, at a minimum, the following: (i) the composition of the material must be thoroughly tested and accepted by the industry for such construction; (ii) any swimming pool constructed on any Lot shall have an elevation at the top of the pool of not over two (2) feet above the natural grade unless approved by the ACC; (iii) pool cages and screens must be of a design, color and material approved by the ACC and shall be no higher than twelve (12) feet unless otherwise approved by the ACC; and (iv) pool screening shall in no event be higher than the roof line of the Home. Pool screening shall not extend beyond the sides of the Home without express approval by the ACC. All pools shall be adequately maintained and chlorinated (or cleaned with similar treatment). Unless installed by Developer, no diving boards, slides, or platforms shall be permitted without ACC approval.

15.32 Removal of Soil and Additional Landscaping. Without the prior consent of the ACC, no Owner shall remove soil from any portion of Silver Palms, change the level of the land within Silver Palms, or plant landscaping which results in any permanent change in the flow and drainage of surface water within Silver Palms. Owners may not place additional plants, shrubs, or trees within any portion of Silver Palms without the prior approval of the ACC.

15.33 Roofs, Driveways and Pressure Treatment. Roofs and/or exterior surfaces and/or pavement, including, but not limited to, walks and drives, shall be pressure treated within thirty (30) days of notice by the ACC. No surface applications to driveways shall be permitted without the prior written approval of the ACC as to material, color and pattern. Such applications shall not extend beyond the front Lot line or include the sidewalk. Notwithstanding Association's responsibility to paint Townhome Buildings, each Owner shall be responsible to pressure clean his or her Home between paintings. The Board may decide to have annual window washing or roof repair and may collect the costs thereof as part of Operating Costs or Reserves.

15.34 Satellite Dishes and Antennas. No exterior visible antennas, radio masts, towers, poles, aerials, satellite dishes, or other similar equipment shall be placed on any Home or Lot without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration. The ACC may require, among other things, that all such improvements be screened so that they are not visible from adjacent Homes, or from the Common Areas. Each Owner agrees that the location of satellite dishes, antennas and other equipment under this section must be first approved by the ACC in order to address the welfare of the residents of Silver Palms. No Owner shall operate any equipment or device which will interfere with the radio or television reception of others. Notwithstanding the foregoing, Club Owner may install without ACC approval Telecommunications Services equipment, a satellite dish or similar equipment within the property comprising the Club so long as such equipment is not visible from the street giving access to the Club. All antennas not permitted by the Federal Communications Commission ("FCC") rules are prohibited. Installation, maintenance, and use of all antennas shall comply with restrictions adopted by the Board and shall be governed by the then current rules of the FCC. Any satellite dishes approved by the ACC shall be installed on the fascia of the Home and no wires may be exposed.

15.35 Screened Enclosures. No screened enclosures, for pools or otherwise, shall be permitted to be installed without the prior written approval of the ACC.

15.36 Servants. Servants and domestic help of any Owner may not gather or lounge in or about the Common Areas.

15.37 Signs and Flags. No sign (including brokerage or for sale/lease signs), flag, banner, sculpture, fountain, outdoor play equipment, solar equipment, artificial vegetation, sports equipment, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, or upon any portion of Silver Palms that is visible from the outside without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration; provided, however, signs required by governmental agencies and approved by the ACC may be displayed (e.g., permit boards). All "For Sale" and "For Rent" signs must be approved by the ACC and shall be no larger than 12" x 12". No sign may be placed in the window of a Home. Developer and Builders are exempt from this Section. No in-ground flag poles (except as Developer may use) shall be permitted within Silver Palms, unless written approval of the ACC is obtained. Notwithstanding the foregoing, flags which are no larger than 24" x 36", attached to a Home and displayed for the purpose of a holiday, and United States of America flags shall be permitted without ACC approval. Notwithstanding the foregoing, no ACC approval is necessary for the installation of an American flag, up to two feet (2') by four feet (4') in size, posted on a three-foot (3') pole and attached at a forty-five degree (45°) angle from the Home.

15.38 Sports Equipment. No recreational, playground or sports equipment shall be installed or placed within or about any portion of Silver Palms without prior written consent of the ACC. No basketball backboards, skateboard ramps, or play structures will be permitted without written approval by the ACC. Such approved equipment shall be located at the rear of the Home or on the inside portion of corner Homes within the setback lines. Tree houses or platforms of a similar nature shall not be constructed on any part of a Home. No basketball hoops shall be attached to a Home and any portable basketball hoops must be stored inside the Home. No tennis courts are permitted within Lots.

15.39 Storage. No temporary or permanent utility or storage shed, storage building, tent, or other structure or improvement shall be permitted and no other structure or improvement shall be constructed, erected,

altered, modified or maintained without the prior approval of the ACC, which approval shall conform to the requirements of this Declaration. Any boat stored on a Lot must be screened by landscaping, fencing or walls approved by the ACC so that such boat is not visible above such landscaping, fencing or walls or from the street. Water softeners, trash containers, propane tanks and other similar devices shall be properly screened from the street in a manner approved by the ACC.

15.40 Subdivision and Regulation of Land. No portion of any Home or Lot shall be divided or subdivided or its boundaries changed without the prior written approval of Association. No Owner shall inaugurate or implement any variation from, modification to, or amendment of governmental regulations, land use plans, land development regulations, zoning, or any other development orders or development permits applicable to Silver Palms, without the prior written approval of Developer, which may be granted or denied in its sole discretion.

15.41 Substances. No flammable, combustible or explosive fuel, fluid, chemical, hazardous waste, or substance shall be kept on any portion of Silver Palms or within any Home, Lot or Parcel, except those which are required for normal household use. All propane tanks and bottled gas for household and/or pool purposes (excluding barbecue grill tanks) must be installed underground or in a manner to be screened from view by landscaping or other materials approved by the ACC.

15.42 Swimming, Fishing, Boating and Docks. Swimming and fishing are prohibited within any of the lakes or waterbodies within or adjacent to Silver Palms. Boating and personal watercraft (e.g., jet skis) are prohibited on the lakes or waterbodies. No private docks may be erected within any lake or waterbody.

15.43 Use of Homes. Each Home is restricted to residential use as a residence by the Owner or permitted occupant thereof, his/her immediate family, guests, tenants and invitees.

15.44 Visibility on Corners. Notwithstanding anything to the contrary in these restrictions, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by the ACC and governmental agencies. No vehicles, objects, fences, walls, hedges, shrubs or other planting shall be placed or permitted on a corner Lot where such obstruction would create a traffic problem.

15.45 Water Intrusion. Florida experiences heavy rainfall and humidity on a regular basis. Each Owner is responsible for making sure his or her Home remains watertight including, without limitation, checking caulking around windows and seals on doors. Each Owner acknowledges that running air conditioning machinery with windows and/or doors open in humid conditions can result in condensation, mold and/or water intrusion. Neither Developer nor Association shall have liability under such circumstances for any damage or loss that an Owner may incur.

15.46 Wells and Septic Tanks. No individual wells will be permitted on any Home except Single Family Home Lots and Estate Home Lots with prior ACC approval. No individual septic tanks will be permitted on any Lot.

15.47 Windows or Wall Units. No window or wall air conditioning unit may be installed in any window or wall of a Home.

15.48 Window Treatments. Window treatments shall consist of drapery, blinds, decorative panels, or other window covering, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding one (1) week after an Owner or tenant first moves into a Home or when permanent window treatments are being cleaned or repaired. No security bars shall be placed on the windows of any Home without prior written approval of the ACC. No awnings, canopies or shutters shall be affixed to the exterior of a Home without the prior written approval of the ACC. No reflective tinting or mirror finishes on windows shall be permitted unless approved by the ACC. Window treatments facing the street shall be of a neutral color, such as white, off-white or wood tones.

## 16. Insurance.

### 16.1 Association. Association shall maintain the following insurance coverage:

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

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

16.1.3 Directors and Officers Liability Insurance. Each member of the Board shall be covered by directors and officers liability insurance in such amounts and with such provisions as approved by the Board.

16.1.4 Other Insurance. Such other insurance coverage as appropriate from time to time. All coverage obtained by Association shall cover all activities of Association and all properties maintained by Association, whether or not Association owns title thereto.

16.1.5 Developer. Prior to and including the Turnover Date, Developer shall have the right, at Association's expense, to provide any such insurance coverage it deems appropriate under its master insurance policy in lieu of any of the foregoing.

16.2 Homes.

16.2.1 Requirement to Maintain Insurance. Each Owner shall be required to obtain and maintain adequate insurance of his or her Home. Such insurance shall be sufficient for necessary repair or reconstruction work, and/or shall cover the costs to demolish a damaged Home as applicable, remove the debris, and to resod and landscape land comprising the Home. Upon the request of Association, each Owner shall be required to supply the Board with evidence of insurance coverage on his Home which complies with the provisions of this Section. Without limiting any other provision of this Declaration or the powers of Association, Association shall specifically have the right to bring an action to require an Owner to comply with his or her obligations hereunder.

16.2.2 Requirement to Reconstruct or Demolish. In the event that any Home is destroyed by fire or other casualty, the Owner of such Home shall do one of the following: the Owner shall commence reconstruction and/or repair of the Home ("Required Repair"), or Owner shall tear the Home down, remove all the debris, and resod and landscape the property comprising the Home as required by the ACC ("Required Demolition") to the extent permitted under law. If an Owner elects to perform the Required Repair, such work must be commenced within thirty (30) days of the Owner's receipt of the insurance proceeds respecting such Home. If an Owner elects to perform the Required Demolition, the Required Demolition must be completed within six (6) months from the date of the casualty or such longer period of time established by the Board in its sole discretion subject to extension if required by law. If an Owner elects to perform the Required Repair, such reconstruction and/or repair must be completed in a continuous, diligent, and timely manner. Association shall have the right to inspect the progress of all reconstruction and/or repair work. Without limiting any other provision of this Declaration or the powers of Association, Association shall have a right to bring an action against an Owner who fails to comply with the foregoing requirements. By way of example, Association may bring an action against an Owner who fails to either perform the Required Repair or Required Demolition on his or her Home within the time periods and in the manner provided herein. Each Owner acknowledges that the issuance of a building permit or a demolition permit in no way shall be deemed to satisfy the requirements set forth herein, which are independent of, and in addition to, any requirements for completion of work or progress requirements set forth in applicable statutes, zoning codes, and/or building codes.

16.2.3 Townhome Buildings. Certain Homes are separated by Party Walls but form part of a Townhome Building. Notwithstanding anything to the contrary herein, any Owner of a Home within a Townhome Building must have the written agreement of all of the Owners of Homes within such Townhome Building before any Required Demolition can be commenced. Such written agreement must be presented to the ACC before any Required Demolition can commence. If all of the Owners of Homes within a Townhome Building do not agree to the Required Demolition, then such Required Demolition shall not be commenced by any Owner of a Home within a Townhome Building and all Owners of damaged or destroyed Homes within such Townhome Building shall perform Required Repair with respect to such Homes.

16.2.4 Standard of Work. The standard for all demolition, reconstruction, and other work performed as required by this Section shall be in accordance with the Community Standards and any other standards established by Association with respect to any casualty that affects all or a portion of Silver Palms.

16.2.5 Additional Rights of Association. If an Owner refuses or fails, for any reason, to perform the Required Repair or Required Demolition as herein provided, then Association, in its sole discretion, by and through its Board is hereby irrevocably authorized by such Owner to perform the Required Repair or Required Demolition. All Required Repair performed by Association pursuant to this Section shall be in conformance with the original plans and specifications for the Home. Association shall have the absolute right to perform the Required Demolition to a Home pursuant to this Section if any contractor certifies in writing to Association that such Home cannot be rebuilt or repaired. The Board may levy an Individual Assessment against the Owner in whatever amount sufficient to adequately pay for Required Repair or Required Demolition performed by Association.

16.2.6 Rights of County. In the event that any Home is destroyed by fire or other casualty, County or other authorized governmental agency shall have the right, but not the obligation, to enter such Owner's Lot and/or Home for the purpose of inspecting and assessing the damage to such Home. County shall further have the right to enforce any local laws and/or ordinances with regard to the Required Repair or the Required Demolition of the Home.

16.2.7 Association Has No Liability. Notwithstanding anything to the contrary in this Section, Association, its directors and officers, shall not be liable to any Owner should an Owner fail for any reason whatsoever to obtain insurance coverage on a Home. Moreover, Association, its directors and officers, shall not be liable to any person if Association does not enforce the rights given to Association in this Section.

16.3 Fidelity Bonds. If available, Association may obtain a blanket fidelity bond for all officers, directors, trustees and employees of Association, and all other persons handling or responsible for funds of, or administered by, Association. In the event Association delegates some or all of the responsibility for the handling of the funds to a professional management company or licensed manager, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of Association. The amount of the fidelity bond shall be based upon reasonable business judgment. The fidelity bonds required herein must meet the following requirements (to the extent available at a reasonable premium):

16.3.1 The bonds shall name Association as an obligee.

16.3.2 The bonds shall contain waivers, by the issuers of the bonds, of all defenses based upon the exclusion of persons serving without compensation from the definition of "employee" or similar terms or expressions.

16.3.3 The premiums on the bonds (except for premiums on fidelity bonds maintained by a professional management company, or its officers, employees and agents), shall be paid by Association.

16.3.4 The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date), Club Owner and Association.

16.4 Association as Agent. Association is irrevocably appointed agent for each Owner of any interest relating to the Common Areas to adjust all claims arising under insurance policies purchased by Association and to execute and deliver releases upon the payment of claims.

16.5 Casualty to Common Areas. In the event of damage to the Common Areas, or any portion thereof, Association shall be responsible for reconstruction after casualty. In the event of damage to a Parcel or Home, or any portion thereof, the Owner shall be responsible for reconstruction after casualty. In the event of damage to the Club, the responsibility for reconstruction shall be as provided in the Club Plan.

16.6 Nature of Reconstruction. Any reconstruction of improvements hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform with the then current governmental regulation(s).

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

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

17. Property Rights.

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

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

17.1.2 Rules and Regulations adopted governing use and enjoyment of the Common Areas.

17.1.3 The right of Association to suspend an Owner's rights hereunder or to impose fines in accordance with Section 720.305, Florida Statutes, as amended from time to time.

17.1.4 The right to suspend the right to use all (except vehicular and pedestrian ingress and egress and necessary utilities) or a portion of the Common Areas by an Owner, its immediate family, etc. for any period during which any Assessment against that Owner remains unpaid.

17.1.5 The right of Developer and/or Association to dedicate or transfer all or any part of the Common Areas. No such dedication or transfer shall be effective prior to the Community Completion Date without prior written consent of Developer and, at any time, without prior written consent of the Club Owner.

17.1.6 The right of Developer and/or Association to modify the Common Areas as set forth in this Declaration.

17.1.7 The perpetual right of Developer to access and enter the Common Areas at any time, even after the Community Completion Date, for the purposes of inspection and testing of the Common Areas. Association and each Owner shall give Developer unfettered access, ingress and egress to the Common Areas so that Developer and/or its agents can perform all tests and inspections deemed necessary by Developer. Developer shall have the right to make all repairs and replacements deemed necessary by Developer. At no time shall Association and/or an Owner prevent, prohibit and/or interfere with any testing, repair or replacement deemed necessary by Developer relative to any portion of the Common Areas.

17.1.8 The rights of Developer and/or Association and/or Club Owner regarding Silver Palms as reserved in this Declaration, including the right to utilize the same and to grant use rights, etc. to others.

17.1.9 An Owner relinquishes use of the Common Areas at any time that a Home is leased to a Lessee.

17.2 Ingress and Egress. An easement for ingress and egress is hereby created for pedestrian traffic over, and through and across sidewalks, paths, walks, driveways, passageways, and lanes as the same, from time to time, may exist upon, or be designed as part of, the Common Areas, and for vehicular traffic over, through and across such portions of the Common Areas as, from time to time, may be paved and intended for such purposes.

17.3 Development Easement. In addition to the rights reserved elsewhere herein, Developer reserves an easement for itself or its nominees and creates an easement in favor of the Club Owner over, upon, across, and under Silver Palms as may be required in connection with the development of Silver Palms, the Club, and other lands designated by Developer and to promote or otherwise facilitate the development, construction and sale and/or leasing of Homes, the Club, or any portion of Silver Palms, and other lands designated by Developer. Without limiting the foregoing, Developer specifically reserves the right to use all paved roads and rights of way within Silver Palms for vehicular and pedestrian ingress and egress to and from construction sites and for the construction and maintenance of any Telecommunications Systems provided by Developer and/or for the use of the Club. Specifically, each Owner acknowledges that construction vehicles and trucks may use portions of the Common Areas. Developer shall have no liability or obligation to repave, restore, or repair any portion of the Common Areas as a result of the use of the same by construction traffic, and all maintenance and repair of such Common Areas shall be deemed ordinary maintenance of Association payable by all Owners as part of Operating Costs. Without limiting the foregoing, at no time shall Developer be obligated to pay any amount to Association on account of Developer's and Club Owner's use of the Common Areas for construction purposes. Developer intends to use the Common Areas for sales of new and used Homes. Further, Developer may market other residences and commercial properties located outside of Silver Palms from Developer's sales facilities located within Silver Palms. Developer has the right to use all portions of the Common Areas in connection with its marketing activities including, without limitation, allowing members of the general public to inspect model Homes, installing signs and displays, holding promotional parties and picnics, and using the Common Areas for every other type of promotional or sales activity that may be employed in the marketing of new and used residential Homes or the leasing of residential apartments. The easements created by this Section, and the rights reserved herein in favor of Developer, shall be construed as broadly as possible and supplement the rights of Developer. At no time shall Developer incur any expense whatsoever in connection with its use and enjoyment of such rights and easements. Without limiting any other provision of this Declaration, Developer may non-exclusively assign its rights hereunder to each Builder.

17.4 Public Easements. Fire, police, school transportation, health, sanitation and other public service and utility company personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas. In addition, Telecommunications Providers shall also have the right to use all paved roadways for ingress and egress to and from Telecommunications Systems within Silver Palms.

17.5 Delegation of Use. Every Owner shall be deemed to have delegated its right of enjoyment to the Common Areas and Club to occupants or lessees of that Owner's Home subject to the provisions of this Declaration and the Rules and Regulations, as may be promulgated, from time to time. Any such delegation or lease shall not relieve any Owner from its responsibilities and obligations provided herein.

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

17.7 Permits, Licenses and Easements. Prior to the Community Completion Date, Developer, and thereafter Association, shall, in addition to the specific rights reserved to Developer herein, have the right to grant, modify, amend and terminate permits, licenses and easements over, upon, across, under and through Silver Palms (including Lots, Parcels and/or Homes but excluding the Club after the Turnover Date) for Telecommunications Systems, utilities, roads and other purposes reasonably necessary or useful as it determines, in its sole discretion. To the extent legally required, each Owner shall be deemed to have granted to Developer and, thereafter, Association an irrevocable power of attorney, coupled with an interest, for the purposes herein expressed.

17.8 Blanket Easement in Favor of District. The District shall also have blanket easements necessary for District operations above, across and under Silver Palms. The easement shall permit, without limitation, all construction, maintenance and replacement activities of the District.

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

17.10 Drainage. A non-exclusive easement shall exist in favor of Developer, the District, Club Owner, Association, and their designees, and any applicable water management district, state agency, county agency and/or federal agency having jurisdiction over Silver Palms over, across and upon Silver Palms for drainage, irrigation and water management purposes. A non-exclusive easement for ingress, egress and access exists as shown on the Plat for such parties to enter upon and over any portion of Silver Palms (including Homes) in order to construct, maintain, inspect, record data on, monitor, test, or repair, as necessary, any water management areas, conservation areas, mitigation areas, irrigation systems and facilities thereon and appurtenances thereto. No structure, landscaping, or other material shall be placed or be permitted to remain which may damage or interfere with the drainage or irrigation of Silver Palms and/or installation or maintenance of utilities or which may obstruct or retard the flow of water through Silver Palms and/or water management areas and facilities or otherwise interfere with any drainage, irrigation and/or easement provided for in this Section or the use rights set forth elsewhere in this Declaration.

17.11 Club Easements. A non-exclusive easement shall exist in favor of the Club Owner and its respective designees, invitees, guests, agents, employees, and members over and upon the Common Areas and portions of Silver Palms necessary for ingress, egress, access to, construction, maintenance and/or repair of the Club. Club Owner, Club employees, agents, invitees, guests, any manager of the Club, and all members of the Club shall be given access to the Club on the same basis as Owners, but without any charge therefor (in the term of Assessments or otherwise).

17.12 Blanket Easement in Favor of Association. Association is hereby granted an easement over all of Silver Palms, including all Homes and Lots, for the purposes of (a) constructing, maintaining, replacing and operating all Common Areas including, but not limited to, lakes, perimeter walls and fences and (b) performing any obligation of an Owner for which Association intends to impose an Individual Assessment.

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

17.14 Blanket Easement in Favor of Developer. Developer shall also have blanket easements above, across and under Silver Palms. The easement shall permit, without limitation, all construction, maintenance and replacement activities of Developer.

18. Club Plan. Association and each Home Owner, where applicable, shall be bound by and comply with the Club Plan which is incorporated herein by reference. The Association Documents are subordinate and inferior to the Club Plan. In the event of any conflict between the Club Plan and the Association Documents, the Club Plan shall control.

19. Assessments.

19.1 Types of Assessments. Each Owner, by acceptance of a deed or instrument of conveyance for the acquisition of title in any manner (whether or not so expressed in the deed), including any purchaser at a judicial sale, shall hereafter be deemed to have covenanted and agreed to pay to Association at the time and in the manner required by the Board, assessments or charges and any special assessments as are fixed, established and collected from time to time by Association (collectively, the "Assessments"). All Owners and Builders shall pay Assessments. Thereafter, so long as Developer deficit funds Association, neither Developer nor any Builder shall pay Assessments. Each Builder shall pay such portion of Operating Costs which benefits any Lot or Parcel owned by such Builder, as determined by Developer, in Developer's sole discretion. By way of example, and not of limitation, Developer may require that each Builder pay some portion of Assessments on a Lot or Parcel owned by a Builder which does not contain a Home. As vacant Parcels owned by Builders may not receive certain services (e.g., Telecommunications Services), Builders shall not be required to pay for the same. Club Owner, as a member of Association, shall be obligated to pay a nominal Assessment of One Dollar (\$1) per year to Association.

19.2 Purpose of Assessments. The Assessments levied by Association shall be used for, among other things, the purpose of promoting the recreation, health and welfare of the residents of Silver Palms, and in particular for the improvement and maintenance of the Common Areas and any easement in favor of Association, including, but not limited to the following categories of Assessments as and when levied and deemed payable by the Board:

19.2.1 Any monthly assessment (as determined by the Board) or charge for the purpose of operating Association and accomplishing any and all of its purposes, as determined in accordance herewith, including, without limitation, payment of Operating Costs and collection of amounts necessary to pay any deficits from prior years' operation (hereinafter "Monthly Assessments");

19.2.2 Any special assessments for capital improvements, major repairs, emergencies the repair or replacement of the Common Areas, or nonrecurring expenses (hereinafter "Special Assessments");

19.2.3 Any specific fees, dues or charges to be paid by Owners for any special services provided to or for the benefit of an Owner or Home, for any special or personal use of the Common Areas, or to reimburse Association for the expenses incurred in connection with that service or use (hereinafter "Use Fees");

19.2.4 Assessments of any kind for the creation of reasonable reserves for any of the aforesaid purposes. At such time as there are improvements in any Common Areas for which Association has a responsibility to maintain, repair, and replace, the Board may, but shall have no obligation to, include a "Reserve for Replacement" in the Monthly Assessments in order to establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements comprising a portion of the Common Areas (hereinafter "Reserves"). Assessments pursuant to this Section shall be payable in such manner and at such times as determined by Association, and may be payable in installments extending beyond the fiscal year in which the Reserves are approved. Until the Community Completion Date, Reserves shall be subject to the prior written approval of Developer, which may be withheld for any reason; and

19.2.5 Assessments for which one or more Owners (but less than all Owners) within Silver Palms is subject ("Individual Assessments") such as costs of special services provided to a Home or Owner or cost relating to enforcement of the provisions of this Declaration or the architectural provisions hereof as it relates to a particular Owner or Home. By way of example, and not of limitation, in the event an Owner fails to maintain the exterior of his Home (other than those portions of a Home maintained by Association) in a manner satisfactory to Association, Association shall have the right, through its agents and employees, to enter upon the Home and to repair, restore, and maintain the Home as required by this Declaration. The cost thereof, plus the reasonable administrative expenses of Association, shall be an Individual Assessment. The lien for an Individual Assessment

may be foreclosed in the same manner as any other Assessment. As a further example, if one or more Owners receive optional Telecommunications Services such as Toll Calls, Cable Services and/or Data Transmission Services, and Association pays a Telecommunications Provider for such services, then the cost of such services shall be an Individual Assessment as to each Owner receiving such services. Further, in the event that Association decides it is in the best interest of Silver Palms that Association perform any other obligation of an Owner under this Declaration, the cost of performing such obligation shall be an Individual Assessment. The lien for an Individual Assessment may be foreclosed in the same manner as any other Assessment. In no event shall the Club Owner be subject to Individual Assessments.

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

19.4 Allocation of Operating Costs.

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

19.4.2 Commencing on the first day of the period covered by the annual budget, and until the adoption of the next annual budget, the Monthly Assessments shall be allocated so that each Owner shall pay his pro rata portion of Monthly Assessments, Special Assessments, and Reserves based upon a fraction, the numerator of which is one (1) and the denominator of which is the total number of Single Family Homes in Silver Palms or Townhomes in Silver Palms, as applicable, conveyed to Owners or any greater number determined by Developer from time to time. Owners of Single Family Homes are assessed equally as to each other and Owners of Townhomes are assessed equally as to each other. Developer, in its sole discretion may change such denominator from time to time. Under no circumstances will the denominator be less than the number of Homes owned by Owners other than Developer.

19.4.3 In the event the Operating Costs as estimated in the budget for a particular fiscal year are, after the actual Operating Costs for that period is known, less than the actual costs, then the difference shall, at the election of Association: (i) be added to the calculation of Monthly Assessments, as applicable, for the next ensuing fiscal year; or (ii) be immediately collected from the Owners as a Special Assessment. Association shall have the unequivocal right to specially assess Owners retroactively on January 1st of any year for any shortfall in Monthly Assessments, which Special Assessment shall relate back to the date that the Monthly Assessments could have been made. No vote of the Owners shall be required for such Special Assessment (or for any other Assessment except to the extent specifically provided herein).

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

19.5 General Assessments Allocation. Except as hereinafter specified to the contrary, Monthly Assessments, Special Assessments and Reserves shall be allocated equally to each Owner of Single Family Homes or equally to each Owner of Townhomes, respectively.

19.6 Use Fees and Individual Assessment. Except as hereinafter specified to the contrary, Use Fees and Individual Assessments shall be made against the Owners benefiting from, or subject to the special service or cost as specified by Association.

19.7 Commencement of First Assessment. Assessments shall commence as to each Owner on the day of the conveyance of title of a Home to an Owner. The applicable portion of Assessments shall commence as to each Builder on the day of the conveyance of title of a Lot or Parcel to such Builder.

19.8 Deficit Funding, Shortfalls and Surpluses. Each Owner acknowledges that because Monthly Assessments, Special Assessments, and Reserves are allocated based on the formula provided herein, or upon the number of Homes conveyed to Owners on or prior to September 30 of the prior fiscal year, it is possible that Association may collect more or less than the amount budgeted for Operating Costs. Prior to and including the Turnover Date, Developer shall have the option to (i) fund all or any portion of the shortfall in Monthly Assessments not raised by virtue of all income received by Association or (ii) to pay Monthly Assessments on Homes or Lots owned by Developer. If Developer has cumulatively over funded Operating Costs and/or prepaid expenses of Association which have not been reimbursed to Developer prior to and including the Turnover Date, Association shall refund such amounts to Developer on or prior to and including the Turnover Date or as soon as possible thereafter (e.g. once the amount is finally determined). Developer shall never be required to (i) pay Monthly Assessments if Developer has elected to fund the deficit instead of paying Monthly Assessments on Homes or Lots owned by Developer, or (ii) pay Special Assessments, management fees or Reserves. Any surplus Assessments collected by Association may be (i) allocated towards the next year's Operating Costs, (ii) used to fund Reserves, whether or not budgeted, (iii) retained by Association, and/or (iv) used for any other purpose, in Association's sole discretion, to the creation of Reserves, whether or not budgeted. Under no circumstances shall Association be required to pay surplus Assessments to Owners.

19.9 Budget. The initial budget prepared by Developer is adopted as the budget for the period of operation until adoption of the first annual Association budget. Thereafter, the annual budget shall be prepared and adopted by the Board. To the extent Association has commenced or will commence operations prior to the date this Declaration is recorded or the first Home is closed, the Operating Costs may vary in one or more respects from that

set forth in the initial Budget. A Builder shall pay Assessments as per the Builder budget for each Lot owned by such Builder commencing from the date the Builder obtained title to such Lot. Developer shall fund entirely all Operating Costs not covered by Builders' Assessments until the month prior to the closing of the first Home. Thereafter, Assessments shall be payable by each Owner and Builder as provided in this Declaration. THE INITIAL BUDGET OF ASSOCIATION IS PROJECTED (NOT BASED ON HISTORICAL OPERATING FIGURES). THEREFORE, IT IS POSSIBLE THAT ACTUAL ASSESSMENTS MAY BE LESSER OR GREATER THAN PROJECTED.

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

19.10.1 Monthly Assessments shall be established by the adoption of a twelve (12) month operating budget by the Board. The budget shall be in the form required by Section 720.303(6) of the Florida Statutes, as amended from time to time. Written notice of the amount and date of commencement thereof shall be given to each Owner not less than ten (10) days in advance of the due date of the first installment thereof. Notwithstanding the foregoing, the budget may cover a period of less than twelve (12) months if the first budget is adopted mid-year or in order to change the fiscal year of Association. The Board may, from time to time, determine how the Assessments will be collected by Association (i.e., monthly, quarterly or annually).

19.10.2 Special Assessments and Individual Assessments against the Owners may be established by Association, from time to time, and shall be payable at such time or time(s) as determined. Until the Community Completion Date, no Special Assessment shall be imposed without the consent of Developer.

19.10.3 Association may establish, from time to time, by resolution, rule or regulation, or by delegation to an officer or agent, including, a professional management company, Use Fees. The sums established shall be payable by the Owner utilizing the service or facility as determined by Association.

19.11 Initial Contribution. The first purchaser of each Lot, Home or Parcel, at the time of closing of the conveyance from Developer to the purchaser, shall pay to Developer an initial contribution in the amount equal to two (2) months Assessments ("Initial Contribution") depending on the type of Home. The funds derived from the Initial Contributions shall be used at the discretion of Developer for any purpose including, but not limited to, future and existing capital improvements, operating expenses, support costs and start-up costs. Developer may waive this requirement for some Lots and Homes, if the first purchaser is a Builder, and the Builder becomes unconditionally obligated to collect and pay the Initial Contribution upon the subsequent sale of each Lot and Home to an end purchaser.

19.12 Resale Contribution. Association may establish a resale contribution ("Resale Contribution"). There shall be collected upon every conveyance of an ownership interest in a Home by an Owner other than Developer or Builders an amount payable to Association. The Resale Contribution shall not be applicable to conveyances from Developer or a Builder. After the Home has been conveyed by Developer or a Builder there shall be a recurring assessment payable to Association upon all succeeding conveyances of a Home. The amount of the Resale Contribution and the manner of payment shall be determined by resolution of the Board from time to time; provided, however, all Homes shall be assessed a uniform amount depending on the type of Home.

19.13 Assessment Estoppel Certificates. No Owner shall sell or convey its interest in a Home unless all sums due Association have been paid in full and an estoppel certificate in recordable form shall have been received by such Owner. Association shall prepare and maintain a ledger noting Assessments due from each Owner. The ledger shall be kept in the office of Association, or its designees, and shall be open to inspection by any Owner and Club Owner. Within ten (10) days of a written request therefor, there shall be furnished to an Owner an estoppel certificate in writing setting forth whether the Assessments have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated. The Owner requesting the estoppel certificate shall be required to pay Association a reasonable sum to cover the costs of examining records and preparing such estoppel certificate. Each Owner waives its rights (if any) to an accounting related to Operating Costs or Assessments.

19.14 Payment of Home Real Estate Taxes. Each Owner shall pay all taxes and obligations relating to its Home which, if not paid, could become a lien against the Home which is superior to the lien for Assessments created by this Declaration.

19.15 Creation of the Lien and Personal Obligation. Each Owner, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Home, shall be deemed to have covenanted and agreed that the Assessments, and/or other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, shall be a charge and continuing lien in favor of Association encumbering the Home and all personal property located thereon owned by the Owner against whom each such Assessment is made. The lien is effective from and after recording a Claim of Lien in the Public Records stating the legal description of the Home, name of the Owner, and the amounts due as of that date, but shall relate back to the date that this Declaration is recorded. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. Each Assessment, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, and other costs and expenses provided for herein, shall be the personal obligation of the person who was the Owner of the Home at the time when the Assessment became due, as well as the Owner's heirs, devisees, personal representatives, successors or assigns.

19.16 Subordination of the Lien to Mortgages and Club Dues. The lien for Assessments shall be subordinate to (i) a bona fide first mortgage held by a Lender on any Home, if the mortgage is recorded in the Public Records prior to the Claim of Lien, and (ii) to Club Dues, as further provided in this Section 19.16. The lien for Assessments shall be a lien superior to all other liens save and except tax liens and mortgage liens, provided said mortgage liens are first liens against the property encumbered thereby, subject only to tax liens, and secure indebtedness which is amortized in monthly or quarter-annual payments over a period of not less than ten (10) years. The lien for Assessments shall not be affected by any sale or transfer of a Home, except in the event of a sale or transfer of a Home pursuant to (i) a foreclosure (or by deed in lieu of foreclosure or otherwise) of a bona fide first mortgage held by a Lender, or (ii) a lien for Club Dues, in which event, the acquirer of title, its successors and assigns, shall not be liable for such sums secured by a lien for Assessments encumbering the Home or chargeable to the former Owner of the Home, which became due prior to such sale or transfer. However, any such unpaid Assessments for which such acquirer of title is not liable may be reallocated and assessed to all Owners (including such acquirer of title) as a part of Operating Costs included within Monthly Assessments. Any sale or transfer pursuant to a foreclosure (or by deed in lieu of foreclosure or otherwise) shall not relieve the Owner from liability for, nor the Home from the lien of any Assessments made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent Assessments from the payment thereof, or the enforcement of collection by means other than foreclosure. A Lender shall give written notice to Association if the mortgage held by such Lender is in default. Association shall have the right, but not the obligation, to cure such default within the time periods applicable to Owner. In the event Association makes such payment on behalf of an Owner, Association shall, in addition to all other rights reserved herein, be subrogated to all of the rights of the Lender. All amounts advanced on behalf of an Owner pursuant to this Section shall be added to Assessments payable by such Owner with appropriate interest.

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

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

19.19 Exemption. Notwithstanding anything to the contrary herein, neither Developer, the District, Club Owner nor any Home or property owned by Developer shall (unless specified to the contrary by Developer in a separate written instrument) be responsible for any Assessments of any nature or any portion of the Operating Costs. Developer, at Developer's sole option, may pay Assessments on Homes owned by it, or fund the deficit, if any, as set forth in Section 19.8 herein. In addition, the Board shall have the right to exempt any portion of Silver Palms subject to this Declaration from the Assessments, provided that such portion of Silver Palms exempted is used (and as long as it is used) for any of the following purposes:

19.19.1 Any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;

19.19.2 Any real property interest held by a Telecommunications Provider;

19.19.3 Any of Silver Palms exempted from ad valorem taxation by the laws of the State of Florida or exempted from Assessments by other provisions of this Declaration; and

19.19.4 Any Facilities.

19.20 Collection by Developer. If for any reason Association shall fail or be unable to levy or collect Assessments, then in that event, Developer shall at all times have the right, but not the obligation: (i) to advance such sums as a loan to Association to bear interest and to be repaid as hereinafter set forth; and/or (ii) to levy and collect such Assessments by using the remedies available as set forth above, which remedies, including, but not limited to, recovery of attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, shall be deemed assigned to Developer for such purposes. If Developer advances sums, it shall be entitled to immediate reimbursement, on demand, from Association for such amounts so paid, plus interest thereon at the Wall Street Journal Prime Rate plus two percent (2%), plus any costs of collection including, but not limited to, reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals.

19.21 Rights to Pay Assessments and Receive Reimbursement. Association, Developer, Club Owner and any Lender of a Home shall have the right, but not the obligation, jointly and severally, and at their sole option, to pay any Assessments or other charges which are in default and which may or have become a lien or charge against any Home. If so paid, the party paying the same shall be subrogated to the enforcement rights of Association with regard to the amounts due.

19.22 Mortgagee Right. Each Lender may request in writing that Association notify such Lender of any default of the Owner of the Home subject to the Lender's Mortgage under the Association Documents which default is not cured within thirty (30) days after Association learns of such default. A failure by Association to furnish notice to any Lender shall not result in liability of Association because such notice is given as a courtesy to a Lender and the furnishing of such notice is not an obligation of Association to Lender.

20. Information to Lenders and Owners.

20.1 Availability. There shall be available for inspection upon request, during normal business hours or under other reasonable circumstances, to Owners and Lenders current copies of the Association Documents.

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

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

20.3.1 Any condemnation loss or casualty loss which affects a material portion of a Home to the extent Association is notified of the same;

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

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

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

21. Architectural Control.

21.1 Architectural Control Committee. The ACC shall be a permanent committee of Association and shall administer and perform the architectural and landscape review and control functions relating to Silver Palms. The ACC shall consist of a minimum of three (3) members who shall initially be named by Developer and who shall hold office at the pleasure of Developer. The ACC shall have the right to form subcommittees to review ACC applications. The ACC shall oversee such subcommittees and shall take precedence over any decision made by such subcommittees. Until the Community Completion Date, Developer shall have the right to change the number of members on the ACC, and to appoint, remove, and replace all members of the ACC. Developer shall determine which members of the ACC shall serve as its chairman and co-chairman. In the event of the failure, refusal, or inability to act of any of the members appointed by Developer, Developer shall have the right to replace any member within thirty (30) days of such occurrence. If Developer fails to replace that member, the remaining members of the ACC shall fill the vacancy by appointment. From and after the Community Completion Date, the Board shall have the same rights as Developer with respect to the ACC. The ACC shall enforce the Community Standards as set forth herein.

21.2 Membership. There is no requirement that any member of the ACC be an Owner or a member of Association.

21.3 General Plan. It is the intent of this Declaration to create a general plan and scheme of development of Silver Palms. Accordingly, the ACC shall have the right to approve or disapprove all architectural, landscaping, and improvements within Silver Palms by Owners other than Developer or Club Owner. The ACC shall have the right to evaluate all plans and specifications as to harmony of exterior design, landscaping, location of any proposed improvements, relationship to surrounding structures, topography and conformity with such other reasonable requirements as shall be adopted by the ACC. The ACC may impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other local governmental codes. Prior to the Community Completion Date, any additional standards or modification of existing standards shall require the consent of Developer, which may be granted or denied in its sole discretion.

21.4 Community Plan. Developer has established an overall Community Plan. However, notwithstanding the above, or any other document, brochures or plans, Developer reserves the right to modify the Community Plan or any site plan at any time as it deems desirable in its sole discretion and in accordance with applicable laws and ordinances. WITHOUT LIMITING THE FOREGOING, DEVELOPER AND/OR BUILDERS MAY PRESENT TO THE PUBLIC OR TO OWNERS RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS RESPECTING SILVER PALMS. SUCH RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS ARE NOT A GUARANTEE OF HOW SILVER PALMS WILL APPEAR UPON COMPLETION AND DEVELOPER RESERVES THE RIGHT TO CHANGE ANY AND ALL OF THE FOREGOING AT ANY TIME AS DEVELOPER DEEMS NECESSARY IN ITS SOLE DISCRETION.

21.5 Community Standards. Each Owner and its contractors and employees shall observe, and comply with, the Community Standards which now or may hereafter be promulgated by the ACC and approved by the Board from time to time. The Community Standards shall be effective from the date of adoption; shall be specifically enforceable by injunction or otherwise; and shall have the effect of covenants as if set forth herein verbatim. The Community Standards shall not require any Owner to alter the improvements previously constructed.

Until the Community Completion Date, Developer shall have the right to approve the Community Standards, which approval, may be granted in its sole discretion.

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

21.7 Power and Duties of the ACC. No improvements shall be constructed on any portion of Silver Palms, no exterior of a Home shall be repainted, no landscaping, sign, or improvements erected, removed, planted, or maintained on any portion of Silver Palms, nor shall any material addition to or any change, replacement, or alteration of the improvements as originally constructed by Developer (visible from the exterior of the Home) be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, and the location of same shall have been submitted to and approved in writing by the ACC.

21.8 Procedure. In order to obtain the approval of the ACC, each Owner shall observe the following:

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

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

21.8.3 No later than forty-five (45) days after receipt of all information required by the ACC for final review, the ACC shall approve or deny the application in writing. The ACC shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the ACC's sole discretion, for aesthetic or any other reasons or to impose qualifications and conditions thereon. In approving or disapproving such plans and specifications, the ACC shall consider the suitability of the proposed improvements, the materials of which the improvements are to be built, the site upon which the improvements are proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property. In the event the ACC fails to respond within such forty-five (45) day period, the plans and specifications shall be deemed disapproved by the ACC.

21.8.4 Construction of all improvements shall be completed within the time period set forth in the application and approved by the ACC.

21.8.5 In the event that the ACC disapproves any plans and specifications, the Owner may request a rehearing by the ACC for additional review of the disapproved plans and specifications. The meeting shall take place no later than forty-five (45) days after written request for such meeting is received by the ACC, unless Owner waives this time requirement in writing. The ACC shall make a final written decision no later than forty-five (45) days after such meeting. In the event the ACC fails to provide such written decision within such forty-five (45) days, the plans and specifications shall be deemed disapproved.

21.8.6 Upon disapproval (even if the members of the Board and the ACC are the same), the Owner may appeal the decision of the ACC to the Board within forty-five (45) days of the ACC's written review and disapproval. Review by the Board shall take place no later than forty-five (45) days subsequent to the receipt by the Board of the Owner's request therefor. If the Board fails to hold such a meeting within forty-five (45) days after receipt of request for such meeting, then the plans and specifications shall be deemed disapproved. The Board shall make a final decision no later than sixty (60) days after such meeting. In the event the Board fails to provide such written decision within such sixty (60) days after such meeting, such plans and specifications shall be deemed disapproved. The decision of the ACC, or if appealed, the Board, shall be final and binding upon the Owner, his/her heirs, legal representatives, successors and assigns.

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

21.10 Variances. Association or ACC shall have the power to grant variances from any requirements set forth in this Declaration or from the Community Standards, on a case by case basis, provided that the variance sought is reasonable and results from a hardship upon the Owner. The granting of a variance shall not nullify or otherwise affect the right to require strict compliance with the requirements set forth herein or in the Community Standards on any other occasion.

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

21.12 Construction by Owners. The following provisions govern construction activities by Owners after consent of the ACC has been obtained:

21.12.1 Each Owner shall deliver to the ACC, if requested, copies of all construction and building permits as and when received by the Owner. Each construction site in Silver Palms shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed on a diligent, workmanlike and continuous basis. Roadways, easements, swales, Common Areas and other such areas in Silver Palms shall be kept clear of construction vehicles, construction materials and debris at all times. No construction office or trailer shall be kept in Silver Palms and no construction materials shall be stored in Silver Palms subject, however, to such conditions and requirements as may be promulgated by the ACC. All refuse and debris shall be removed or deposited in a dumpster on a daily basis. No materials shall be deposited or permitted to be deposited in any canal or waterway or Common Areas or other Homes in Silver Palms or be placed anywhere outside of the Home upon which the construction is taking place. No hazardous waste or toxic materials shall be stored, handled and used, including, without limitation, gasoline and petroleum products, except in compliance with all applicable federal, state and local statutes, regulations and ordinances, and shall not be deposited in any manner on, in or within the construction or adjacent property or waterways. All construction activities shall comply with the Community Standards. If a contractor or Owner shall fail to comply in any regard with the requirements of this Section, the ACC may require that such Owner or contractor post security with Association in such form and such amount deemed appropriate by the ACC in its sole discretion.

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

21.12.3 Each Owner is responsible for insuring compliance with all terms and conditions of these provisions and of the Community Standards by all of its employees and Contractors. In the event of any violation of any such terms or conditions by any employee or Contractor, or, in the opinion of the ACC, the continued refusal of any employee or Contractor to comply with such terms and conditions, after five (5) days' notice and right to cure, the ACC shall have, in addition to the other rights hereunder, the right to prohibit the violating employee or Contractor from performing any further services in Silver Palms.

21.12.4 The ACC may, from time to time, adopt standards governing the performance or conduct of Owners, Contractors and their respective employees within Silver Palms. Each Owner and Contractor shall comply with such standards and cause its respective employees to also comply with same. The ACC may also promulgate requirements to be inserted in all contracts relating to construction within Silver Palms and each Owner shall include the same therein.

21.13 Inspection. There is specifically reserved to Association and ACC and to any agent or member of either of them, the right of entry and inspection upon any portion of Silver Palms at any time within reasonable daytime hours, for the purpose of determination whether there exists any violation of the terms of any approval or the terms of this Declaration or the Community Standards.

21.14 Violation. Without limiting any other provision herein, if any improvement shall be constructed or altered without prior written approval, or in a manner which fails to conform with the approval granted, the Owner shall, upon demand of Association or the ACC, cause such improvement to be removed, or restored until approval is obtained or in order to comply with the plans and specifications originally approved. The Owner shall be liable for the payment of all costs of removal or restoration, including all costs and attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, incurred by Association or ACC. The costs shall be deemed an Individual Assessment and enforceable pursuant to the provisions of this Declaration. The ACC and/or Association are specifically empowered to enforce the architectural and landscaping provisions of this Declaration and the Community Standards, by any legal or equitable remedy.

21.15 Court Costs. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed improvement or to cause the removal of any unapproved improvement, Association and/or ACC shall be entitled to recover court costs, expenses and attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals.

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

21.17 Certificate of Compliance. If requested by an Owner, prior to the occupancy of any improvement constructed or erected on any Home by other than Developer, or its designees, the Owner thereof shall obtain a certificate of compliance from the ACC, certifying that the Owner has complied with the requirements set forth herein. The ACC may, from time to time, delegate to a member or members of the ACC, the responsibility for issuing the certificate of compliance. The issuance of a certificate of compliance does not abrogate the ACC's rights set forth in Section 21.13 herein.

21.18 Exemption. Notwithstanding anything to the contrary contained herein, or in the Community Standards, any improvements of any nature made or to be made by Developer, Builder or Club Owner, or their nominees, including, without limitation, improvements made or to be made to the Common Areas, Club or any Home, shall not be subject to the review of the ACC, Association, or the provisions of the Community Standards.

21.19 Exculpation. Developer, Association, the directors or officers of Association, the ACC, the members of the ACC, or any person acting on behalf of any of them, shall not be liable for any cost or damages incurred by any Owner or any other party whatsoever, due to any mistakes in judgment, negligence, or any action of Developer, Association, ACC or their members, officers, or directors, in connection with the approval or disapproval of plans and specifications. Each Owner agrees, individually and on behalf of his/her heirs, devisees, legal and personal representatives, successors and assigns by acquiring title to a Home, that it shall not bring any action or suit against Developer, Association or their respective directors or officers, the ACC or the members of the ACC, or their respective agents, in order to recover any damages caused by the actions of Developer, Association, or ACC or their respective members, officers, or directors in connection with the provisions of this Section. Association does hereby indemnify, defend and hold Developer and the ACC, and each of their members, officers, and directors harmless from all costs, expenses, and liabilities including attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, of all nature resulting by virtue of the acts of the Owners, Association, ACC or their members, officers and directors. Developer, Association, its directors or officers, the ACC or its members, or any person acting on behalf of any of them, shall not be responsible for any defects in any plans or specifications or the failure of same to comply with applicable laws or code nor for any defects in any improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

22. Owners Liability.

22.1 Loop System Irrigation. Some or all Homes and Common Areas may receive irrigation pursuant to a loop system. If an Owner desires to make any alterations or improvements to a Home that in any way affect the loop irrigation system, then the Owner shall be responsible for taking measures to "cap off" the main line of the loop irrigation system that leads to the Home. In addition, the Owner shall be obligated to obtain the prior written approval of Association before taking any action that may adversely affect the loop irrigation system. Once the main line is "capped off," the Owner shall then be responsible for maintaining the irrigation system for his or her Home. Any damages to the Home resulting from an Owner's failure to comply with the terms set forth herein shall be the sole responsibility of such Owner and Developer shall not be liable for the same. Furthermore, each Owner understands that as provided in this Declaration, an Owner may be permitted to install, without limitation, a patio, and/or screened enclosure ("Improvement") on the Home upon the prior written approval of the ACC as set forth in this Declaration and/or the Community Standards. If an Improvement is approved to be installed, then a five (5) foot gate must also be installed. Before the ACC approves the installation of an Improvement, the irrigation system that will be within the Improvement portion of that Home must be re-routed, if necessary, by a professional irrigation company. In order for the ACC to approve the Improvement installation, a letter or other evidence by a professional irrigation company must be given to the ACC at least ten (10) days before the Improvement installation stating that the effectiveness of Silver Palms drainage system will not be affected by the re-routing of the irrigation system. Should an Owner install the Improvement without providing the necessary letter or other evidence from a professional irrigation company in advance as required herein, then Association may conduct the necessary inspection, repair any necessary drainage facilities and charge the work as an Individual Assessment to such Owner, all as further provided in this Declaration and/or Community Standards.

22.2 Right to Cure. Should any Owner do any of the following:

22.2.1 Fail to perform its responsibilities as set forth herein or otherwise breach the provisions of the Declaration including, without limitation, any provision herein benefiting SFWMD; or

22.2.2 Cause any damage to any improvement or Common Areas or Club; or

22.2.3 Impede Developer, Club Owner or Association from exercising its rights or performing its responsibilities hereunder or under the Club Plan; or

22.2.4 Undertake unauthorized improvements or modifications to a Home, the Common Areas or the Club; or

22.2.5 Impede Developer or Club Owner from proceeding with or completing the development of Silver Palms or Club, as the case may be;

then Developer, Association and/or Club Owner, where applicable, after reasonable prior written notice, shall have the right, through its agents and employees, to cure the breach, including, but not limited to, entering upon the Home and causing the default to be remedied and/or the required repairs or maintenance to be performed or, as the case may be, removing unauthorized improvements or modifications. The cost thereof, plus reasonable overhead costs and attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, incurred shall be assessed against the Owner as an Individual Assessment.

22.3 Non-Monetary Defaults. In the event of a violation by any Owner, other than the nonpayment of any Assessment or other monies, of any of the provisions of this Declaration, Developer or Association shall notify 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, the party entitled to enforce same may, at its option:

22.3.1 Commence an action to enforce the performance on the part of the Owner or to enjoin the violation or breach or for equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

22.3.2 Commence an action to recover damages; and/or

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

22.4 Expenses. All expenses incurred in connection with the violation or breach, or the commencement of any action against any Owner, including reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, shall be assessed against the Owner, as an Individual Assessment, and shall be immediately due and payable without further notice.

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

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

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

22.8 Fines. Association may suspend, for reasonable periods of time, the rights of an Owner or an Owner's tenants, guests and invitees, or both, to use the Common Areas and may levy reasonable fines, not to exceed the maximum amounts permitted by Section 720.305(2) of the Florida Statutes, against an Owner, tenant, guest or invitee, for failure to comply with any provision of this Declaration including, without limitation, those provisions benefiting the SFWMD.

22.8.1 A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. Fines in the aggregate are not capped to any amount.

22.8.2 A fine or suspension may not be imposed without notice of at least fourteen (14) days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) persons (the "Violations Committee") appointed by the Board who are not officers, directors or employees of Association, or the spouse, parent, child, brother, sister of an officer, director or employee. If the Violations Committee does not by a majority vote approve a fine or suspension the same may not be imposed. The written notice of violation shall be in writing to the Owner, tenant, guest or invitee and detail the infraction or infractions. Included in the notice shall be the date and time of the hearing of the Violations Committee.

22.8.3 The non-compliance shall be presented to the Violations Committee acting as a tribunal, after which the Violations Committee shall hear reasons why a fine should not be imposed. The hearing shall be conducted in accordance with the procedures adopted by the Violations Committee from time to time. A written decision of the Violations Committee shall be submitted to the Owner, tenant, guest or invitee, as applicable, by not later than twenty-one (21) days after the meeting of the Violations Committee. The Owner, tenant, guest or invitee shall have a right to be represented by counsel and to cross-examine witnesses.

22.8.4 The Violations Committee may impose Individual Assessments against the Owner in the amount of \$100 (or any greater amount permitted by law from time to time) for each violation. Each day of non-compliance shall be treated as a separate violation and there is no cap on the aggregate amount the Violations Committee may fine an Owner, tenant, guest or invitee. Individual Assessment fines shall be paid not later than five (5) days after notice of the imposition of the Individual Assessment. All monies received from fines shall be allocated as directed by the Board of Directors.

## 23. Additional Rights of Developer.

23.1 Sales and Administrative Offices. For so long as Developer and its assigns owns any property in Silver Palms, is affected by this Declaration, or maintains a sales office or administrative office within Silver Palms, Developer shall have the perpetual right to take such action reasonably necessary to transact any business necessary to consummate the development of Silver Palms and sales and re-sales of Homes and/or other properties owned by Developer or others outside of Silver Palms. This right shall include, but not be limited to, the right to maintain models, sales offices and parking associated therewith, have signs on any portion of Silver Palms, including Common Areas and the Club, employees in the models and offices without the payment of rent or any other fee, maintain offices in models and use of the Common Areas and the Club to show Homes. The sales office, models, signs and all items pertaining to development and sales remain the property of Developer. Developer shall have all of the foregoing rights without charge or expense. Without limiting any other provision of this Declaration,

Developer may assign its rights hereunder to each Builder. The rights reserved hereunder shall extend beyond the Community Completion Date.

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

23.3 Promotional Events. Prior to the Community Completion Date, Developer, Builders and their assigns shall have the right, at any time, to hold marketing, special and/or promotional events within Silver Palms and/or on the Common Areas or Club, without any charge for use. Developer, its agents, affiliates, or assignees shall have the right to market Silver Palms and Homes in advertisements and other media by making reference to Silver Palms, including, but not limited to, pictures or drawings of Silver Palms, the Club, Common Areas, Parcels and Homes constructed in Silver Palms. All logos, trademarks, and designs used in connection with Silver Palms are the property of Developer, and Association shall have no right to use the same after the Community Completion Date except with the express written permission of Developer. Without limiting any other provision of this Declaration, Developer may assign its rights hereunder to each Builder.

23.4 Use by Prospective Purchasers. Prior to the Community Completion Date, Developer and each Builder shall have the right, without charge, to use the Common Areas for the purpose of entertaining prospective purchasers of Homes, or other properties owned by Developer outside of Silver Palms.

23.5 Franchises. Developer may grant franchises or concessions to commercial concerns on all or part of the Common Areas and shall be entitled to all income derived therefrom.

23.6 Management. Developer may manage the Common Areas by contract with Association. Developer may contract with a third party ("Manager") for management of Association and the Common Areas. Each Owner acknowledges that Developer may receive lump sum or monthly compensation from any Manager in connection with the costs of services provided by such Manager. Such compensation may be paid on a per Home or other basis. All such compensation shall be the sole property of Developer, who shall have no duty to account for or disclose the amount of such compensation.

23.7 Easements. Until the Community Completion Date, Developer reserves the exclusive right to grant, in its sole discretion, easements, permits and/or licenses for ingress and egress, drainage, utilities service, maintenance, Telecommunications Services; and other purposes over, under, upon and across Silver Palms so long as any such easements do not materially and adversely interfere with the intended use of Homes previously conveyed to Owners. By way of example, and not of limitation, Developer may be required to take certain action, or make additions or modifications to the Common Areas in connection with an environmental program. All easements necessary for such purposes are reserved in favor of Developer, in perpetuity, for such purposes. Without limiting the foregoing, Developer may relocate any easement affecting a Home, or grant new easements over a Home, after conveyance to an Owner, without the joinder or consent of such Owner, so long as the grant of easement or relocation of easement does not materially and adversely affect the Owner's use of the Home as a residence. As an illustration, Developer may grant an easement for Telecommunications Systems, irrigation, drainage lines or electrical lines over any portion of Silver Palms so long as such easement is outside the footprint of the foundation of any residential improvement constructed on such portion of Silver Palms. Developer shall have the sole right to any fees of any nature associated therewith, including, but not limited to, license or similar fees on account thereof. Association and Owners will, without charge, if requested by Developer: (a) join in the creation of such easements, etc. and cooperate in the operation thereof; and (b) collect and remit fees associated therewith, if any, to the appropriate party. Association will not grant any easements, permits or licenses to any other entity providing the same services as those granted by Developer, nor will it grant any such easement, permit or license prior to the Community Completion Date without the prior written consent of Developer which may be granted or denied in its sole discretion.

23.8 Right to Enforce. Developer has the right, but not the obligation, to enforce the provisions of this Declaration and the Community Standards and to recover all costs relating thereto including, without limitation, attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals. Such right shall include the right to perform the obligations of Association and to recover all costs incurred in doing so. The Club Owner shall also have such rights relating to the Club and/or Club Dues.

23.9 Additional Development. If Developer withdraws portions of Silver Palms from the operation of this Declaration, Developer may, but is not required to, subject to governmental approvals, create other forms of residential property ownership or other improvements of any nature on the property not subjected to or withdrawn from the operation of this Declaration. Developer shall not be liable or responsible to any person or entity on account of its decision to do so or to provide, or fail to provide, the amenities and/or facilities which were originally planned to be included in such areas. If so designated by Developer, owners or tenants of such other forms of housing or improvements upon their creation, may share in the use of all or some of the Common Areas and/or Club and other facilities and/or roadways which remain subject to this Declaration. The expense of the operation of such facilities shall be allocated to the various users thereof, if at all, as determined by Developer.

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

23.11 Telecommunications Services.

23.11.1 Right to Contract for Telecommunications Services. Association shall have the right, but not the obligation, to enter into one or more contracts for the provision of one or more Telecommunications Services for all or any part of Silver Palms. Prior to the Community Completion Date, all contracts between a Telecommunications Provider and Association shall be subject to the prior written approval of Developer. Developer and/or its nominees, successors, assigns, affiliates, and licensees may contract with Association and act as a Telecommunications Provider for one or more Telecommunications Services, subject only to the requirements of all applicable laws, statutes, and regulations. If Developer is not the Telecommunications Provider for any particular Telecommunications Service, Developer shall have the right to receive, on a perpetual basis, all or a portion of access fees and/or the revenues derived from such Telecommunications Service within Silver Palms as agreed, from time to time, between the Telecommunications Provider and Developer.

23.11.2 Easements. Developer (i) reserves unto itself and its nominees, successors, assigns, affiliates, and licensees, and (ii) grants to each Telecommunications Provider that has entered into an agreement with Association respecting Telecommunications Services and/or Telecommunications Systems a perpetual right, privilege, easement and right-of-way across, over, under and upon Silver Palms for the installation, construction and maintenance of Telecommunications Systems together with a perpetual right, privilege and easement of ingress and egress, access, over and upon Silver Palms for installing, constructing, inspecting, maintaining, altering, moving, improving and replacing facilities and equipment constituting such Telecommunications Systems. If, and to the extent, Telecommunications Services provided by such Telecommunications Providers are to serve all of Silver Palms, then the amounts payable to such Telecommunications Providers under their written agreements with Association shall be part of Operating Costs of Association and shall be assessed as a part of the Assessments.

23.11.3 Restoration. Upon the completion of any installation, upgrade, maintenance, repair, or removal of the Telecommunications Systems or any part thereof, each Telecommunications Provider shall restore the relevant portion of the Common Areas and/or any Home to as good a condition as that which existed prior to such installation, maintenance, repair or removal. Failure by Telecommunications Provider to commence such restoration within twenty (20) days after receiving written notice from Association of such failure or the Telecommunications Provider's failure to complete such restoration within ninety (90) days of commencement shall vest in Association the right (but not the obligation) to restore or cause to be restored such portion of the Common Areas and/or Home disturbed by such work, all at such Telecommunications Provider's sole cost and expense, except for in emergency situations whereby Association may restore or cause to be restored such disturbed portion of the Common Areas and/or Home immediately. In the event that Association exercises the right of self-help, each Telecommunications Provider agrees in advance that Association shall have the sole right to (i) select the contractors to perform such work and (ii) determine the extent of required restoration. This remedy of self-help is in addition to all other remedies of Association hereunder. All reasonable expenses incurred by Association in connection with such restoration shall be paid by Telecommunications Provider within twenty (20) days of completion of restoration and delivery to Telecommunications Provider of Association's invoice therefor. Any expenses not so paid when due shall bear interest from the due date at the lesser of (i) the publicly announced prime rate (or similar successor reference rate) of Wachovia National Bank or its successor on the date of such invoice, or (ii) the maximum rate of interest allowed by the law of the State of Florida for such obligations, or as provided in an agreement between Association and a Telecommunications Provider.

23.11.4 Operating Costs. Each Owner understands that the expense of any Telecommunications Service may not be charged on a bulk basis, but may be charged at the rate equal to any rate paid by individual home owners that are not subject to a homeowners association in Miami-Dade County, Florida. Each Owner acknowledges that Developer may receive lump sum or monthly compensation from any Telecommunications Provider in connection with the supply of Telecommunications Services. Such compensation may be paid on a per Home or other basis. All such compensation shall be the sole property of Developer, who shall have no duty to account for or disclose the amount of such compensation.

23.12 Non-Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE ASSOCIATION DOCUMENTS, NEITHER ASSOCIATION, DEVELOPER, THE DISTRICT NOR ANY BUILDERS SHALL BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF SILVER PALMS INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, LESSEES, LICENSEES, INVITEES, AGENTS, SERVANTS, CONTRACTORS, AND/OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

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

23.12.2 ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN AGENCY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE STATE OF FLORIDA AND/OR MIAMI-DADE COUNTY OR PREVENTS TORTIOUS ACTIVITIES; AND

23.12.3 THE PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH AND WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF ASSOCIATION TO PROTECT OR FURTHER THE HEALTH OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON. EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO A HOME) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING A USE OF, ANY PORTION OF SILVER PALMS (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USE) SHALL BE BOUND BY THIS SECTION AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF ASSOCIATION HAS BEEN DISCLAIMED IN THIS SECTION OR OTHERWISE. AS USED IN THIS SECTION, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES, SUBCONTRACTORS, SUCCESSORS AND ASSIGNS).

23.13 Resolution of Disputes. BY ACCEPTANCE OF A DEED, EACH OWNER AGREES THAT THE ASSOCIATION DOCUMENTS ARE VERY COMPLEX; THEREFORE, ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, OR CROSS CLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO ASSOCIATION DOCUMENTS, INCLUDING ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY SHOULD BE HEARD IN A COURT PROCEEDING BY A JUDGE AND NOT A JURY IN ORDER TO BEST SERVE JUSTICE. DEVELOPER HEREBY SUGGESTS THAT EACH OWNER UNDERSTAND THE LEGAL CONSEQUENCES OF ACCEPTING A DEED TO A HOME.

23.14 Venue. EACH OWNER ACKNOWLEDGES REGARDLESS OF WHERE SUCH OWNER (i) EXECUTED A PURCHASE AND SALE AGREEMENT, (ii) RESIDES, (iii) OBTAINS FINANCING OR (iv) CLOSED ON A HOME, THIS DECLARATION LEGALLY AND FACTUALLY WAS EXECUTED IN COUNTY. DEVELOPER HAS AN OFFICE IN COUNTY AND EACH HOME IS LOCATED IN COUNTY. ACCORDINGLY, AN IRREBUTTABLE PRESUMPTION EXISTS THAT THE ONLY APPROPRIATE VENUE FOR THE RESOLUTION OF ANY DISPUTE LIES IN COUNTY. IN ADDITION TO THE FOREGOING, EACH OWNER AND DEVELOPER AGREES THAT THE VENUE FOR RESOLUTION OF ANY DISPUTE LIES IN COUNTY.

23.15 Reliance. BEFORE ACCEPTING A DEED TO A HOME, EACH OWNER HAS AN OBLIGATION TO RETAIN AN ATTORNEY IN ORDER TO CONFIRM THE VALIDITY OF THIS DECLARATION. BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES THAT HE HAS SOUGHT AND RECEIVED SUCH AN OPINION OR HAS MADE AN AFFIRMATIVE DECISION NOT TO SEEK SUCH AN OPINION. DEVELOPER IS RELYING ON EACH OWNER CONFIRMING IN ADVANCE OF ACQUIRING A HOME THAT THIS DECLARATION IS VALID, FAIR AND ENFORCEABLE. SUCH RELIANCE IS DETRIMENTAL TO DEVELOPER. ACCORDINGLY, AN ESTOPPEL AND WAIVER EXISTS PROHIBITING EACH OWNER FROM TAKING THE POSITION THAT ANY PROVISION OF THIS DECLARATION IS INVALID IN ANY RESPECT. AS A FURTHER MATERIAL INDUCEMENT FOR DEVELOPER TO SUBJECT SILVER PALMS TO THIS DECLARATION, EACH OWNER DOES HEREBY RELEASE, WAIVE, DISCHARGE, COVENANT NOT TO SUE, ACQUIT, SATISFY AND FOREVER DISCHARGE DEVELOPER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS AND ITS AFFILIATES AND ASSIGNS FROM ANY AND ALL LIABILITY, CLAIMS, COUNTERCLAIMS, DEFENSES, ACTIONS, CAUSES OF ACTION, SUITS, CONTROVERSIES, AGREEMENTS, PROMISES AND DEMANDS WHATSOEVER IN LAW OR IN EQUITY WHICH AN OWNER MAY HAVE IN THE FUTURE, OR WHICH ANY PERSONAL REPRESENTATIVE, SUCCESSOR, HEIR OR ASSIGN OF OWNER HEREAFTER CAN, SHALL OR MAY HAVE AGAINST DEVELOPER, ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AND AGENTS, AND ITS AFFILIATES AND ASSIGNS, FOR, UPON OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER RESPECTING THIS DECLARATION, OR THE EXHIBITS HERETO. THIS RELEASE AND WAIVER IS INTENDED TO BE AS BROAD AND INCLUSIVE AS PERMITTED BY THE LAWS OF THE STATE OF FLORIDA.

24. Refund of Taxes and Other Charges. Unless otherwise provided herein, Association agrees that any taxes, fees or other charges paid by Developer to any governmental authority, utility company or any other entity which at a later date are refunded in whole or in part, shall be returned to Developer in the event such refund is received by Association.

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

26. Selling, Leasing and Mortgaging of Homes. In order to maintain complementary uses, congenial neighbors and to protect the value of Homes, the transfer of title to or possession of Homes by any Owner shall be subject to the following provisions so long as Association exists, which provisions each Owner covenants to observe:

26.1 Transfers Subject to Approval.

26.1.1 Sale. No Owner may dispose of a Home or any interest therein by sale without approval of Association.

26.1.2 Lease. No Owner may transfer possession of a Home or any interest therein by lease for any period without approval of Association. The renewal of any lease, including any lease previously approved by Association under this Section 26, shall be re-submitted for approval by Association. No Owner may transfer possession of a Home or any interest therein by lease for any period until such Owner is current in payment of all assessments due to Association under the terms of this Declaration, and Association shall have the right to withhold approval of any lease until such time as the Owner is current in payment of such Assessments.

26.1.3 Gift. If any Owner proposes to transfer a Home by gift, the proposed transfer shall be subject to the approval of Association.

26.2 Approval by Association. To obtain approval of Association which is required for the transfer of Homes, each Owner shall comply with the following requirements:

26.2.1 Notice to Association.

26.2.1.1 Sale. An Owner intending to make a bona fide sale of his or her Home, or any interest therein, shall give to Association a transfer fee (in an amount determined by the Board and permitted by Florida Statutes) and notice pursuant to a form approved by Association of such intentions, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as Association may reasonably require. Such notice, at the Owner's option, may include a demand by the Owner that Association furnish a new purchaser if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract for sale.

26.2.1.2 Lease. An Owner intending to make a bona fide lease of his or her Home or any interest therein shall give to Association a transfer fee (in an amount determined by the Board and permitted by Florida Statutes) and notice pursuant to a form approved by Association of such intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as Association may reasonably require, and an executed copy of the proposed lease, which lease shall provide that it is subject to approval by Association.

26.2.1.3 Gift. An Owner who proposes to transfer his or her title by gift shall give to Association a transfer fee (in an amount determined by the Board and permitted by Florida Statutes) and notice pursuant to a form approved by Association of the proposed transfer of his or her title, together with such information concerning the transferee as Association may reasonably require, and a copy of all instruments to be used in transferring title.

26.2.1.4 Failure to Give Notice. If the notice to Association herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Home, Association at its discretion and without notice may approve or disapprove the lease, sale or transfer. If Association disapproves the transaction or ownership, Association shall proceed as if it had received the required notice on the date of such disapproval.

26.2.1.5 Effect and Manner of Notice. The giving of notice shall constitute a representation and warranty by the offeror to Association and any purchaser produced by the Board that the offering is a bona fide offer in all respects. The notice shall be given by certified mail, return receipt requested, or delivered by professional courier or by hand-delivery to Association which shall give a receipt therefor.

26.2.2 Certificate of Approval.

26.2.2.1 Sale. If the proposed transaction is a sale, then, within thirty (30) days after receipt of such notice and information, Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the proper officers of Association in recordable form and shall be delivered to the purchaser and may be recorded in the Public Records of Miami-Dade County, Florida (the "Public Records").

26.2.2.2 Lease. If the proposed transaction is a lease then, within thirty (30) days after receipt of such notice and information, Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the proper officers of Association and shall be delivered to the lessee.

26.2.2.3 Devise or Inheritance. Any person who has obtained a Home by devise or inheritance (except for the spouse, parents or children of the immediately previous Owner of such Home) shall give to Association notice thereof together with such information concerning the person(s) obtaining such Home as may be reasonably required by the Board and a certified copy of the instrument by which such Home was obtained. If such notice is not given to Association, then at any time after receiving knowledge thereof, the Board shall proceed

in accordance with Section 26.2.2.4 as if it had been given such notice on the date of receipt of such knowledge. Within thirty (30) days after receipt of such notice and information, Association must either approve or disapprove the proposed transfer. If approved, the approval shall be stated in a certificate executed by the proper officers of Association in recordable form and shall be delivered to the person receiving title by devise or inheritance.

26.2.2.4 Gift. If the Owner giving notice proposes to transfer his or her title by gift, then, within thirty (30) days after receipt of such notice and information, Association must either approve or disapprove the proposed transfer of title to the Home. If approved, the approval shall be upon such terms and conditions as Association may reasonably require, and the approval shall be stated in a certificate executed by the proper officers of Association in recordable form and shall be delivered to the Owner and shall be recorded in the Public Records.

26.2.3 Approval of Owner Other Than an Individual. Inasmuch as the Home may be used only for residential purposes, and a corporation, trust or other entity cannot occupy a Home for such use, if the Owner or purchaser of a Home is a corporation, trust or other entity, the approval of ownership by the corporation, trust or other entity shall be conditioned upon the primary occupant or the beneficial owners of the entity being approved by Association. Any change in such primary occupant or beneficial owners of the Home shall be deemed a change of ownership subject to Association approval pursuant to this Section.

26.3 Disapproval by Association. Although an Owner complies with the foregoing requirements, Association may disapprove of the transfer. If Association disapproves a transfer or ownership of a Home, the matter shall be disposed of in the following manner:

26.3.1 Sale. If the proposed transaction is a sale and if the notice of sale given by the Owner shall so demand, then, within thirty (30) days after receipt of such notice and information by Association, Association shall deliver by professional courier or hand-delivery, or mail by certified mail, to the Owner an agreement to purchase by Association, or a purchaser approved by Association who will purchase and to whom the Owner must sell the Home, upon the following terms:

26.3.1.1 The price to be paid by the purchaser, to be identified in the agreement, shall be that stated in the disapproved contract to sell.

26.3.1.2 The purchase price shall be paid by official check or federal wire.

26.3.1.3 The sale shall be closed within ninety (90) days after the delivery or mailing of the agreement to purchase to the Owner and shall be upon terms no less favorable than the terms of the disapproved contract.

26.3.1.4 If Association fails to provide a purchaser upon the demand of the Owner in the manner provided, or if a purchaser furnished by Association shall default in his or her agreement to purchase, the proposed transaction shall be deemed to have been approved and Association shall furnish a certificate of approval as provided in this Section 26.

26.3.2 Lease. In the event the Board disapproves of a transfer of possession of a Home by lease, then the Owner may not lease the Home to the intended lessee for whom the Owner sought approval.

26.3.3 Transfer by Gift, Devise or Inheritance. In the event the Board disapproves of such transfer of title by gift, devise or inheritance, the Board shall advise in writing within such thirty (30) day period, the person who has obtained such title of a purchaser approved by the Board to purchase the respective Home at its fair market value. The fair market value of the Home will be determined by any one of the following methods determined by the Board: (i) by three (3) M.A.I. appraisers, one of whom shall be selected by the Association's proposed purchaser, one by the person holding title, and one by the two (2) appraisers so selected; or (ii) by mutual agreement by the Association's proposed purchaser and the person holding title. All costs for such appraisal shall be paid by the Association's proposed purchaser. The purchase price shall be paid by federal wire or official check and the sale closed within thirty (30) days after the determination of the purchase price. Simultaneously upon notification to the person holding title that the Board has a purchaser for the respective Home, the person holding title and such purchaser shall execute a contract providing for the acquisition of such Home in accordance with the terms of this Declaration. In the event the purchaser furnished by Association shall default in his or her obligation to purchase such Home, then the Board shall be required to approve the passage of title to the person then holding title thereof and shall issue and deliver a certificate of approval therefor.

26.4 Exceptions. The foregoing provisions of this Section shall not apply to a transfer or purchase by an Institutional First Mortgagee or other approved mortgagee which acquires its title as the result of owning a mortgage upon the Home concerned, and this shall be so whether the title is acquired by deed from the mortgagor or its successor in title or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by an Institutional First Mortgagee or other approved mortgagee which so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to a Home at a duly advertised public sale with open bidding which is provided by law including, but not limited to, an execution sale, foreclosure sale, judicial sale or tax sale. The provisions of this Section shall not apply to Developer.

26.5 Unauthorized Transactions. Any sale, transfer mortgage or lease which is not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by Association.

26.6 Notice of Lien or Suit.

26.6.1 Notice of Lien. An Owner shall give notice to Association of every lien upon his or her Home other than for permitted mortgages, taxes and special assessments within five (5) days after the attaching of such lien.

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

26.6.3 Failure to Comply. Failure to comply with this Section will not affect the validity of any judicial sale.

27. General Provisions.

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

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

27.3 Execution of Documents. Developer's plan of development for the Property (including, without limitation, the creation of one (1) or more special taxing districts and/or the District) may necessitate from time to time the execution of certain documents as required by governmental agencies. To the extent that such documents require the joinder of Owners other than Developer, Developer, by its duly authorized officers, may, as the agent or the attorney-in-fact for the Owners, execute, acknowledge and deliver such documents (including, without limitation, any consents or other documents required by any governmental agencies in connection with the creation of any special taxing district); and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through its duly authorized officers, as their proper and legal attorneys-in-fact, for such purpose. Such appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner agrees, by its acceptance of a deed to a Home or any other portion of Silver Palms, to execute or otherwise join in any petition and/or other documents required in connection with the creation of the District or any special taxing district relating to Silver Palms or any portion(s) thereof.

27.4 Affirmative Obligation of Association. In the event that Association believes that Developer has failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or the Common Areas are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Association agrees that once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of \$250,000.00 which Association and Developer agree is a fair and reasonable remedy.

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

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

27.7 Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF SILVER PALMS ARE HEREBY PLACED ON NOTICE THAT (1) DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES AND/OR (2) ANY OTHER PARTIES WILL BE, FROM TIME TO TIME, CONDUCTING CONSTRUCTION ACTIVITIES, BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO SILVER PALMS. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF SILVER PALMS, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO SILVER PALMS WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR

OTHERWISE DURING NON-WORKING HOURS), (iii) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM DEVELOPER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AND (iv) ANY PURCHASE OR USE OF ANY PORTION OF SILVER PALMS HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING.

27.8 Title Documents. Each Owner by acceptance of a deed to a Home acknowledges that such Home is subject to certain land use and title documents and all amendments thereto, which may include, among other items, documents recorded in the Public Records of County (collectively, the "Title Documents"):

27.8.1 Plat of Amended Plat of Portions of South Miami Gardens, as recorded in Plat Book 31, Page(s) 58.

27.8.2 Plat of 2<sup>nd</sup> Amended Plat of Portions of South Miami Gardens, as recorded in Plat Book 48, Page(2) 28.

27.8.3 Plat of Florence B. Holferty's Farm, as recorded in Plat Book 51, Page(s) 24.

27.8.4 Easement recorded in Official Records Book 13838 at Page 2737.

27.8.5 Board of Commissioners of Everglades Drainage District Deed No. 537 filed in Deed Book 2379 at Page 84, as affected by Release of Reservation No. 13240 recorded in Official Records Book 11451 at Page 2041, as further affected by Release of Reservation No. 15086 recorded in Official Records Book 13866 at Page 2288, and as affected by Release of Reservation No. 17939 recorded in Official Records Book 21530 at Page 4083.

27.8.6 Easement Grant recorded in Official Records Book 2627 at Page 254.

27.8.7 Easement Grant recorded in Official Records Book 2627 at Page 252.

27.8.8 Easement Grant recorded in Official Records Book 2627 at Page 250.

27.8.9 Declaration of Restrictions recorded in Official Records Book 22662 at Page 3984.

27.8.10 Unrecorded Farm Lease entered between Silver Palm Holdings of Homestead, LLC and Manuel Diaz Farms, Inc. on September 20, 2004.

27.8.11 Unrecorded Resolution No. Z-24-03 adopted by the Board of County Commissioners on December 4, 2003.

27.8.12 Agreement for Water and Sanitary Sewage Facilities between Miami-Dade County and Silver Palm Holdings of Homestead, LLC recorded in Official Records Book 23479 at 4050.

27.8.13 Resolution No. R-604-05 regarding Silver Palm East and Silver Palm West Multipurpose Maintenance and Street Lighting Special Taxing District recorded in Official Records Book 23687 at Page 206 and Ordinance No. 05-104 regarding the creation of the Silver Palm East and Silver Palm West Multipurpose Maintenance and Street Lighting Special Taxing District recorded in Official Records Book 23687 at Page 706.

27.8.14 Declaration for Silver Palms recorded in Official Records Book 23927 at Page 420.

27.8.15 Declaration of Restrictive Covenants recorded in Official Records Book 23992 at Page 3234, as affected by the joinders recorded in Official Records Book 23992 at Page 3260.

27.8.16 Notice of Establishment of the Palm Glades Community Development District recorded in Official Records Book 23995 at Page 2598.

27.8.17 Declaration of Consent to Imposition of Special Assessments recorded in Official Records Book 24255 at Page 2777.

27.8.18 Excavation Performance Bond recorded in Official Records Book 24336 at Page 4546.

27.8.19 Unity of Title Lake Excavation recorded in Official Records Book 24336 at Page 4618.

27.8.20 Unity of Title Lake Excavation recorded in Official Records Book 24336 at Page 4624.

[ALL OF THE DOCUMENTS REFERRED TO ABOVE ARE RECORDED IN THE PUBLIC RECORDS]

Developer's plan of development for Silver Palms may necessitate from time to time the further amendment, modification and/or termination of the Title Documents. DEVELOPER RESERVES THE UNCONDITIONAL RIGHT TO SEEK AMENDMENTS AND MODIFICATIONS OF THE TITLE DOCUMENTS. It is possible that a governmental subdivision or agency may require the execution of one or more documents in connection with an amendment, modification, and/or termination of the Title Documents. To the extent that such documents require the joinder of Owners other than Developer, Developer, by any one of its duly authorized officers, may, as the agent and/or the attorney-in-fact for the Owners, execute, acknowledge and deliver any documents required by applicable governmental subdivision or agency; and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through any one of its duly authorized officers, as their proper and legal attorney-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner agrees, by its acceptance of a deed to a Home: (i) to execute or otherwise join in any documents required in connection with the amendment, modification, or termination of the Title Documents; and (ii) that such Owner has waived its right to object to or comment the form or substance of any amendment, modification, or termination of the Title Documents. Without limiting the foregoing, upon the Community Completion Date Association shall assume all of the obligations of Developer under the Title Documents unless otherwise provided by Developer by amendment to this Declaration recorded by Developer in the Public Records, from time to time, and in the sole discretion of Developer.

IN WITNESS WHEREOF, the undersigned, being Developer hereunder, has hereunto set its hand and seal this 24 day of July, 2006

WITNESSES:

LENNAR HOMES, INC., a Florida corporation

Mercedes Henderson  
Print Name: Mercedes Henderson  
Maria Gonzalez  
Print Name: Maria Gonzalez

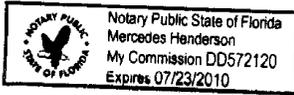
By: [Signature]  
Name: Anthony Seijas  
Title: Vice President

STATE OF FLORIDA )  
COUNTY OF Miami-Dade ) SS.:

The foregoing instrument was acknowledged before me this 24 day of July, 2006 by Anthony Seijas as Vice President of LENNAR HOMES, INC., a Florida corporation, who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the corporation.

My commission expires:

Mercedes Henderson  
NOTARY PUBLIC, State of Florida at Large  
Print Name Mercedes Henderson





JOINDER

SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC.

SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC. ("Association") does hereby join in the Amended and Restated Declaration for Silver Palms ("Declaration") to which this Joinder is attached, and the terms thereof are and shall be binding upon the undersigned and its successors in title. Association acknowledges that this Joinder is for convenience purposes only and does not apply to the effectiveness of the Declaration, as Association has no right to approve the Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Joinder on this 24 day of July, 2006.

WITNESSES:

SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation

Maria Gomez  
Print Name: Maria Gomez  
Deyssi Orbeu  
Print Name: Deyssi Orbeu

By: Mercedes Henderson  
Name: Mercedes Henderson  
Title: President  
Date: 7/24/06

[SEAL]

STATE OF FLORIDA )  
COUNTY OF Hall - Dale ) SS.:

The foregoing instrument was acknowledged before me this 24 day of July, 2006 by Mercedes Henderson as President of SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation, who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the corporation.

My commission expires: 1/8/08

Wilma B. Sepulveda  
NOTARY PUBLIC, State of Florida at Large

Print Name Wilma B. Sepulveda



Commission # DD279896  
Expires January 8, 2008  
Bonded Troy Fair - Insurance, Inc. 800-385-7019

**CONSENT TO  
AMENDED AND RESTATED DECLARATION FOR SILVER PALMS**

Wachovia Bank, a national banking association, as Agent ("Wachovia"), the holder of that certain Mortgage from Silver Palm Holdings of Homestead, LLC, dated September 20, 2004 and recorded in Official Records Book 22672, Page 1030, Public Records of Miami-Dade County, Florida, which encumbers the Land described in **Exhibit 1**, does hereby Consent to the Amended and Restated Declaration for Silver Palms, to which this consent is attached, and acknowledges that the terms thereof are and shall be binding upon Wachovia and its successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this Consent on this 4<sup>th</sup> day of August, 2006

WITNESSES:

WACHOVIA BANK,  
a national banking association

[Signature]  
Print name: Oksana Smirnova  
Bruce Hartman  
Print name: BRUCE HARTMAN

By: [Signature]  
Name: Philip L. Gier  
Title: VP  
{SEAL}

STATE OF Florida )  
COUNTY OF Bradford ) SS.:

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of August, 2006 by Philip L. Gier as VP of Wachovia Bank, a national banking association, who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the association.

My commission expires: December 1, 2008

[Signature]  
NOTARY PUBLIC, State of Florida  
Print name: \_\_\_\_\_



**CONSENT TO  
AMENDED AND RESTATED DECLARATION FOR SILVER PALMS**

Lennar Homes, Inc., a Florida corporation ("**Lennar**"), the holder of that certain Mortgage from Silver Palm Holdings of Homestead, LLC, a Florida limited liability company, dated September 20, 2004 and recorded in Official Records Book 22672, Page 1030, Public Records of Miami-Dade County, Florida, which encumbers the Land described in **Exhibit 1**, does hereby Consent to the Amended and Restated Declaration for Silver Palms, to which this consent is attached, and acknowledges that the terms thereof are and shall be binding upon Lennar and its successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this Consent on this 24 day of July, 2006.

**WITNESSES:**

Mercedes Henderson  
Print name: Mercedes Henderson  
Maria Gomez  
Print name: Maria Gomez

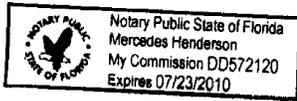
LENNAR HOMES, INC.,  
a Florida corporation

By: [Signature]  
Name: Anthony Seijas  
Title: Vice President  
{SEAL}

STATE OF Florida )  
COUNTY OF Miami-Dade ) SS.:

The foregoing instrument was acknowledged before me this 24 day of July, 2006 by Anthony Seijas as Vice President of Lennar Homes, Inc., a Florida corporation, who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the corporation.

My commission expires:



Mercedes Henderson  
NOTARY PUBLIC, State of Florida  
Print name: Mercedes Henderson

EXHIBIT 1

LEGAL DESCRIPTION

ALL OF SILVER PALMS EAST SECTION ONE, according to the plat thereof, as recorded in Plat Book 164, at Page 51, of Public Records of Miami-Dade County, Florida.

ALL OF SILVER PALMS EAST SECTION TWO, according to the plat thereof, as recorded in Plat Book 164, at Page 187, of the Public Records of Miami-Dade County, Florida.

ALL OF SILVER PALMS EAST SECTION THREE, according to the plat thereof, as recorded in Plat Book 165, at Page 27, of the Public Records of Miami-Dade County, Florida.

LESS AND EXCEPT THE FOLLOWING PROPERTY:

TRACT "O" AND BAILES ROAD OF SILVER PALMS EAST SECTION TWO, according to the plat thereof, as recorded in Plat Book 164, at Page 187, of the Public Records of Miami-Dade County, Florida.

EXHIBIT 2  
ARTICLES OF INCORPORATION

# State of Florida



## Department of State

I certify from the records of this office that SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on May 18, 2005.

The document number of this corporation is N05000005191.

I further certify that said corporation has paid all fees due this office through December 31, 2005, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 805A00036132-051905-N05000005191-1/1, noted below.

Authentication Code: 805A00036132-051905-N05000005191-1/1

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
Nineteenth day of May, 2005



*Glenda E. Hood*  
Glenda E. Hood  
Secretary of State

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# State of Florida



## Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC., a Florida corporation, filed on May 18, 2005, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H05000126172. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N05000005191.

Authentication Code: 805A00036132-051905-N05000005191-1/1



Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
Nineteenth day of May, 2005

*Glenda E. Hood*  
Glenda E. Hood  
Secretary of State

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ARTICLES OF INCORPORATION  
OF  
SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC.  
(A CORPORATION NOT FOR PROFIT)

In compliance with the requirements of the laws of the State of Florida, and for the purpose of forming a corporation not for profit, the undersigned does hereby acknowledge:

1. Name of Corporation. The name of the corporation is Silver Palms by Lennar Community Association, Inc. ("Association").
2. Principal Office. The principal office of Association is 730 N.W. 107 Avenue, Fourth Floor, Miami, Florida 33172.
3. Registered Office - Registered Agent. The street address of the Registered Office of Association is 200 South Biscayne Blvd., Suite 3400, Miami, Florida 33131. The name of the Registered Agent of Association is:

PATRICIA KIMBALL FLETCHER, P.A.

4. Definitions. A declaration entitled Declaration for Silver Palms (the "Declaration") will be recorded in the Public Records of Miami-Dade County, Florida, and shall govern all of the operations of a community to be known as Silver Palms. All initially capitalized terms not defined herein shall have the meanings set forth in the Declaration.
5. Purpose of Association. Association is formed to: (a) provide for ownership, operation, maintenance and preservation of the Common Areas, and improvements thereon; (b) perform the duties delegated to it in the Declaration; (c) administer the interests of Association and the Owners; (d) promote the health, safety and welfare of the Owners.
6. Not for Profit. Association is a not for profit Florida corporation and does not contemplate pecuniary gain to, or profit for, its members.
7. Powers of Association. Association shall, subject to the limitations and reservations set forth in the Declaration, have all the powers, privileges and duties reasonably necessary to discharge its obligations, including, but not limited to, the following:

7.1. To perform all the duties and obligations of Association set forth in the Declaration and By-Laws, as herein provided.

7.2. To enforce, by legal action or otherwise, the provisions of the Declaration and By-Laws and of all rules, regulations, covenants, restrictions and agreements governing or binding Association and Silver Palms.

7.3. To fix, levy, collect and enforce payment, by any lawful means, of all Assessments pursuant to the terms of the Declaration, these Articles and By-Laws.

7.4. To pay all Operating Costs, including, but not limited to, all licenses, taxes or governmental charges levied or imposed against the property of Association.

7.5. To acquire (by gift, purchase or otherwise), annex, own, hold, improve, build upon, operate, maintain, convey, grant rights and easements, sell, dedicate, lease, transfer or otherwise dispose of real or personal property (including the Common Areas) in connection with the functions of Association except as limited by the Declaration. Without limiting the foregoing, if Club Owner is ever willing to sell the Club, Association may purchase the same without the joinder or consent of the Owners or any other person or entity.

7.6. To do all acts and make all payments required by the Club Plan.

7.7. To borrow money, and to mortgage, pledge or hypothecate any or all of its real or personal property as security for money or debts incurred.

7.8. To dedicate, grant, license, lease, concession, create easements upon, sell or transfer all or any part of Silver Palms to any public agency, entity, authority, utility or other

person or entity for such purposes and subject to such conditions as it determines and as provided in the Declaration.

7.9. To participate in mergers and consolidations with other non-profit corporations organized for the same purposes.

7.10. To adopt, publish, promulgate or enforce rules, regulations, covenants, restrictions or agreements governing Association, Silver Palms, the Common Areas, Lots, Parcels and Homes as provided in the Declaration and to effectuate all of the purposes for which Association is organized.

7.11. To have and to exercise any and all powers, rights and privileges which a not-for-profit corporation organized under the Laws of the State of Florida may now, or hereafter, have or exercise.

7.12. To employ personnel and retain independent contractors to contract for management of Association, Silver Palms, and the Common Areas and the Club (if Association shall ever be designated the Club Manager by the Club Owner in writing pursuant to the Club Plan) as provided in the Declaration and to delegate in such contract all or any part of the powers and duties of Association.

7.13. To contract for services to be provided to, or for the benefit of, Association, Club Owner, Owners, the Common Areas, Silver Palms and the Club as provided in the Declaration and Club Plan, such as, but not limited to, Telecommunications Services, maintenance, garbage pick-up, and utility services. The foregoing shall not be deemed to impose any obligation on Association to provide such services.

7.14. To establish committees and delegate certain of its functions to those committees.

7.15. To contract with the District for any legal purpose.

7.16. The obligation to operate and maintain the Surface Water Management System within Silver Palms (including, without limitation, all lakes, retention areas, culverts and related appurtenances, if any) in a manner consistent with the applicable SFWMD Permit requirements and applicable SFWMD rules, and to assist in the enforcement of the Declaration which relate to the Surface Water Management System. The Association shall be responsible for assessing and collecting assessments for the operation, maintenance, and if necessary, repairs of the Surface Water Management System within Silver Palms.

8. Voting Rights. Owners and Developer shall have the voting rights set forth in the By-Laws.

9. Board of Directors. The affairs of Association shall be managed by a Board of odd number with not less than three (3) nor more than nine (9) members. The initial number of directors shall be three (3). Board members shall be appointed and/or elected as stated in the By-Laws. The election of Directors shall be held at the annual meeting. Directors shall be elected for a term expiring on the date of the next annual meeting. The names and addresses of the members of the first Board who shall hold office until their successors are appointed or elected, or until removed, are as follows:

NAME	ADDRESS
Mercedes Henderson	730 N.W. 107 Avenue Fourth Floor Miami, Florida 33172
Greg McPherson	730 N.W. 107 Avenue Fourth Floor Miami, Florida 33172
Miguel Avila	730 N.W. 107 Avenue Fourth Floor Miami, Florida 33172

10. Dissolution. In the event of the dissolution of Association other than incident to a merger or consolidation, any member may petition the Circuit Court having jurisdiction of the Judicial Circuit of the State of Florida for the appointment of a receiver to manage its affairs of the dissolved Association and to manage the Common Areas, in the place and stead of Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association and its properties. In addition, if Association is dissolved, the Surface Water Management System shall be conveyed to an appropriate agency of local government. If a governmental agency will not accept the Surface Water Management System, then it must be dedicated to a similar non-profit corporation.

11. Duration. Association shall have perpetual existence.

12. Amendments.

12.1. General Restrictions on Amendments. Notwithstanding any other provision herein to the contrary, no amendment to these Articles shall affect the rights of Developer or Club Owner unless such amendment receives the prior written consent of Developer or Club Owner, as applicable, which may be withheld for any reason whatsoever. If the prior written approval or consent of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to these Articles, then the prior written consent of such entity or agency must also be obtained. No amendment shall be effective until it is recorded in the Public Records.

12.2. Amendments Prior to and Including the Turnover Date. Prior to and including the Turnover Date, Developer shall have the right to amend these Articles as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Developer's right to amend under this Section is to be construed as broadly as possible. In the event that Association shall desire to amend these Articles prior to and including the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

12.3. Amendments After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, these Articles may be amended with the approval of (i) sixty-six and two-thirds percent (66 2/3%) of the Board; and (ii) seventy-five percent (75%) of the votes present (in person or by proxy) at a duly noticed meeting of the Members of the Association at which there is a quorum.

13. Limitations.

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

13.2. Rights of Developer. There shall be no amendment to these Articles which shall abridge, reduce, amend, effect or modify the rights of Developer.

13.3. By-Laws. These Articles shall not be amended in a manner that conflicts with the By-Laws.

14. Incorporator. The name and address of the Incorporator of this corporation is:

Patricia Kimball Fletcher, Esq.  
Patricia Kimball Fletcher, P.A.  
Duane Morris LLP  
200 South Biscayne Blvd., Suite 3400  
Miami, Florida 33131

15. Officers. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall from time to time determine. The names and addresses of the Officers who shall serve until their successors are elected by the Board are as follows:

President: Mercedes Henderson  
730 N.W. 107 Avenue  
Fourth Floor  
Miami, Florida 33172

Vice President: Greg McPherson  
730 N.W. 107 Avenue  
Fourth Floor  
Miami, Florida 33172

Secretary/Treasurer: Miguel Avila  
730 N.W. 107 Avenue  
Fourth Floor  
Miami, Florida 33172

16. Indemnification of Officers and Directors. Association shall and does hereby indemnify and hold harmless every Director and every Officer, their heirs, executors and administrators, against all loss, cost and expenses reasonably incurred in connection with any action, suit or proceeding to which such Director or Officer may be made a party by reason of being or having been a Director or Officer of Association, including reasonable counsel fees and paraprofessional fees, pre-trials and at all levels of proceedings. This indemnification shall not apply to matters wherein the Director or Officer shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to, and not exclusive of, all other rights to which such Director or Officers may be entitled.

17. Transactions in Which Directors or Officers are Interested. No contract or transaction between Association and one (1) or more of its Directors or Officers or Developer, or between Association and any other corporation, partnership, association, or other organization in which one (1) or more of its Officers or Directors are officers, directors or employees or otherwise interested shall be invalid, void or voidable solely for this reason, or solely because the Officer or Director is present at, or participates in, meetings of the Board thereof which authorized the contract or transaction, or solely because said Officers' or Directors' votes are counted for such purpose. No Director or Officer of Association shall incur liability by reason of the fact that such Director or Officer may be interested in any such contract or transaction. Interested Directors shall disclose the general nature of their interest and may be counted in determining the presence of a quorum at a meeting of the Board which authorized the contract or transaction.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, the undersigned, being the Incorporator of this Association, has executed these Articles of Incorporation as of this 17 day of May, 2005.

Patricia K Fletcher  
Patricia Kimball Fletcher, Esq., Incorporator

STATE OF FLORIDA )  
 ) SS.:  
COUNTY OF MIAMI-DADE )

The foregoing instrument was acknowledged before me this 17 day of May, 2005 by PATRICIA KIMBALL FLETCHER, ESQ. who is personally known to me.

My commission expires:

Maxine C. Papy  
NOTARY PUBLIC, State of Florida at Large  
Print name: MAXINE C. POPY

**ACCEPTANCE BY REGISTERED AGENT**

The undersigned, having been named to accept service of process for the above-stated corporation at the place designated in this certificate, hereby agrees to act in this capacity, and is familiar with, and accepts, the obligations of this position and further agrees to comply with the provisions of all statutes relative to the proper and complete performance of its duties.

Dated this 17 day of May, 2005.

PATRICIA KIMBALL FLETCHER, P.A.

By: Patricia Fletcher  
PATRICIA KIMBALL FLETCHER, ESQ.  
as President

EXHIBIT 3

BY-LAWS

**BY-LAWS  
OF  
SILVER PALMS  
BY LENNAR COMMUNITY ASSOCIATION, INC.**

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BY-LAWS

OF

SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC.

1. Name and Location. The name of the corporation is Silver Palms by Lennar Community Association, Inc. ("Association"). The principal office of the corporation shall be located at 730 N.W. 107<sup>th</sup> Avenue, Fourth Floor, Miami, Florida 33172, or at such other location determined by the Board of Directors (the "Board") from time to time.

2. Definitions. The definitions contained in the Declaration for Silver Palms (the "Declaration") relating to the residential community known as Silver Palms, recorded, or to be recorded, in the Public Records of Miami-Dade County, Florida, are incorporated herein by reference and made a part hereof. In addition to the terms defined in the Declaration, the following terms shall have the meanings set forth below:

"ACC" shall mean the Architectural Control Committee for Silver Palms.

"Annual Members Meeting" shall have the meaning assigned to such term in Section 3.7 of these By-Laws.

"Articles" shall mean the Articles of Incorporation for Association, as amended from time to time.

"By-Laws" shall mean these By-Laws, together with all amendments and modifications thereof.

"Declaration" shall mean the Declaration as modified from time to time.

"Developer" shall mean Lennar Homes, Inc., a Florida corporation, and any of its designees, successors and assigns who receive a written assignment of all or some of the rights of Developer hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

"Member" shall mean a member of Association.

"Minutes" shall mean the minutes of all Member and Board meetings, which shall be in the form required by the Florida Statutes. In the absence of governing Florida Statutes, the Board shall determine the form of the minutes.

"Official Records" shall mean all records required to be maintained by Association pursuant to Section 720.303(4) of the Florida Statutes, as amended from time to time.

"Special Members Meeting" shall have the meaning assigned to such term in Section 3.8 of these By-Laws.

"Turnover Date" shall have the meaning set forth in the Declaration.

"Voting Interests" shall mean the voting rights held by the Members and exercised by Delegates.

3. Members.

3.1 Voting Interests. Each Owner and Developer shall be a Member of Association. No person who holds an interest in a Home only as security for the performance of an obligation shall be a Member of Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Home. There shall be one (1) vote appurtenant to each Home. For the purposes of determining who may exercise the Voting Interest associated with each Home, the following rules shall govern:

3.1.1 Home Owned By Husband and Wife. Either the husband or wife (but not both) may exercise the Voting Interest with respect to a Home. In the event the husband and wife cannot agree, neither may exercise the Voting Interest.

3.1.2 Trusts. In the event that any trust owns a home, Association shall have no obligation to review the trust agreement with respect to such trust. Association shall be governed by the following examples with respect to the trusts:

3.1.2.1 If the Home is owned by Robert Smith, as Trustee, Robert Smith shall be deemed the Owner of the Home for all Association purposes.

3.1.2.2 If the Home is owned by Robert Smith as Trustee for the Laura Jones Trust, then Robert Smith shall be deemed the Member with respect to the Home for all Association purposes.

3.1.2.3 If the Home is owned by the Laura Jones Trust, and the deed does not reference a trustee, then Laura Jones shall be deemed the Member with respect to the Home for all Association purposes.

3.1.2.4 If the Home is owned by the Jones Family Trust, the Jones Family Trust may not exercise its Voting Interest unless it presents to Association, in the form of an attorney opinion letter or affidavit reasonably acceptable to Association, the identification of the person who should be treated as the Member with respect to the Home for all Association purposes.

3.1.2.5 If Robert Smith and Laura Jones, as Trustees, hold title to a Home, either trustee may exercise the Voting Interest associated with such Home in the absence of a designation signed by both trustees that only one such trustee is authorized to vote.. In the event of a conflict between trustees, the Voting Interest for the Home in question cannot be exercised.

In the event that any other form of trust ownership is presented to Association, the decision of the Board as to who may exercise the Voting Interest with respect to any Home shall be final. Association shall have no obligation to obtain an attorney opinion letter in making its decision, which may be made on any reasonable basis whatsoever.

3.1.3 Corporations. If a Home is owned by a corporation, the corporation shall designate a person, an officer, employee, or agent who shall be treated as the Member who can exercise the Voting Interest associated with such Home.

3.1.4 Partnerships. If a Home is owned by a limited partnership, any one of the general partners may exercise the Voting Interest associated with such Home. By way of example, if the general partner of a limited partnership is a corporation, then the provisions hereof governing corporations shall govern which person can act on behalf of the corporation as general partner of such limited partnership. If a Home is owned by a general partnership, any one of the general partners may exercise the Voting Interest associated with such Home. In the event of a conflict among general partners entitled to exercise a Voting Interest, the Voting Interest for such Home cannot be exercised.

3.1.5 Multiple Individuals. If a Home is owned by more than one individual, any one of such individuals may exercise the Voting Interest with respect to such Home. In the event that there is a conflict among such individuals, the Voting Interest for such Home cannot be exercised.

3.1.6 Liability of Association. Association may act in reliance upon any writing or instrument or signature, whether original or facsimile, which Association, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. So long as Association acts in good faith, Association shall have no liability or obligation with respect to the exercise of Voting Interests, and no election shall be invalidated (in the absence of fraud) on the basis that Association permitted or denied any person the right to exercise a Voting Interest. In addition, the Board may impose additional requirements respecting the exercise of Voting Interests (e.g., the execution of a Voting Certificate).

3.2 Annual Meetings. The annual meeting of the Members (the "Annual Members Meeting") shall be held at least once each calendar year on a date, at a time, and at a place to be determined by the Board.

3.3 Special Meetings of the Members. Special meetings of the Members (a "Special Members Meeting") may be called by the President, a majority of the Board, or upon written request of ten percent (10%) of the Voting Interests of the Members. The business to be conducted at a Special Members Meeting shall be limited to the extent required by Florida Statutes.

3.4 Notice of Members Meetings. Written notice of each Members meeting shall be given by, or at the direction of, any officer of the Board or any management company retained by Association. A copy of the notice shall be mailed to each Member entitled to vote, postage prepaid, not less than ten (10) days before the meeting (provided, however, in the case of an emergency, two (2) days' notice will be deemed sufficient). The notice shall be addressed to the Member's address last appearing on the books of Association. The notice shall specify the place, day, and hour of the meeting and, in the case of a

Special Members Meeting, the purpose of the meeting. Alternatively, and to the extent not prohibited by the Florida Statutes, the Board may adopt from time to time, other procedures for giving notice to the Members of the Annual Members Meeting or a Special Members Meeting. By way of example, and not of limitation, such notice may be included in a newsletter sent to each Member by the Club.

3.5 Quorum of Members. Until and including the Turnover Date, a quorum shall be established by Developer's presence, in person or by proxy, at any meeting. After the Turnover Date, a quorum shall be established by the presence, in person or by proxy, of the Members entitled to cast twenty percent (20%) of the Voting Interests, except as otherwise provided in the Articles, the Declaration, or these By-Laws. Notwithstanding any provision herein to the contrary, in the event that technology permits Members to participate in Members meetings and vote on matters electronically, then the Board shall have authority, without the joinder of any other party, to revise this provision to establish appropriate quorum requirements.

3.6 Adjournment of Members Meetings. If, however, a quorum shall not be present at any Members meeting, the meeting may be adjourned as provided in the Florida Statutes. In the absence of a provision in the Florida Statutes, the Members present shall have power to adjourn the meeting and reschedule it on another date.

3.7 Annual Meetings. The annual meeting of the Members (the "Annual Members Meeting") shall be held at least once each calendar year on a date, at a time, and at a place to be determined by the Board.

3.8 Special Meetings of the Members. Special meetings of the Members (a "Special Members Meeting") may be called by the President, a majority of the Board, or upon written request of Members entitled to cast ten percent (10%) of the Voting Interests of the Members. The business to be conducted at a Special Members Meeting shall be limited to the extent required by Florida Statutes.

3.9 Notice of Members Meetings. Written notice of each Members meeting shall be given by, or at the direction of, any officer of the Board or any management company retained by Association. A copy of the notice shall be mailed to each Member entitled to vote, postage prepaid, not less than ten (10) days before the meeting (provided, however, in the case of an emergency, two (2) days' notice will be deemed sufficient). The notice shall be addressed to the Member's address last appearing on the books of Association. The notice shall specify the place, day, and hour of the meeting and, in the case of a Special Members Meeting, the purpose of the meeting. Members shall be responsible for notifying Members of their respective Neighborhood of any Members meeting. Alternatively, and to the extent not prohibited by the Florida Statutes, the Board may adopt from time to time, other procedures for giving notice to the Members of the Annual Members Meeting or a Special Members Meeting. By way of example, and not of limitation, such notice may be included in a newsletter sent to each of the Members by Association.

3.10 Quorum of Members. Until and including the Turnover Date, a quorum shall be established by Developer's presence, in person or by proxy, at any meeting. After the Turnover Date, a quorum shall be established by the presence, in person or by proxy, of the Members entitled to cast twenty percent (20%) of the Voting Interests, except as otherwise provided in the Articles, the Declaration, or these By-Laws. Notwithstanding any provision herein to the contrary, in the event that technology permits Members to participate in Members Meetings and vote on matters electronically, then the Board shall have authority, without the joinder of any other party, to revise this provision to establish appropriate quorum requirements.

3.11 Adjournment of Members Meetings. If, however, a quorum shall not be present at any Members meeting, the meeting may be adjourned as provided in the Florida Statutes. In the absence of a provision in the Florida Statutes, the Members present shall have power to adjourn the meeting and reschedule it on another date.

3.12 Action of Members. Decisions that require a vote of the Members must be made by a concurrence of a majority of the Voting Interests present in person or by proxy, represented at a meeting at which a quorum has been obtained unless provided otherwise in the Declaration, the Articles, or these By-Laws.

3.13 Proxies. At all meetings, Members may vote the Voting Interests of their respective Neighborhood in person or by proxy. All proxies shall comply with the provisions of Section 720.306(6) of the Florida Statutes, as amended from time to time, be in writing, and be

filed with the Secretary at, or prior to, the meeting. Every proxy shall be revocable prior to the meeting for which it is given.

4. Board of Directors.

4.1 Number. The affairs of Association shall be managed by a Board consisting of not less than three (3) persons and no more than nine (9) persons. Board members appointed by Developer need not be Members of Association. Board members elected by the other Members must be Members of Association.

4.2 Term of Office. The election of Directors shall take place after Developer no longer has the authority to appoint the Board and shall take place at the Annual Members meeting or on the Turnover Date. Directors shall be elected for a term ending upon the election of new Directors at the following Annual Members Meeting (except that the term of the Board appointed by the Developer shall extend until the date designated by Developer, or until the Turnover Date).

4.3 Removal. Any vacancy created by the resignation or removal of a Board member appointed by Developer may be replaced by Developer. Developer may replace or remove any Board member appointed by Developer in Developer's sole and absolute discretion. In the event of death or resignation of a Director elected by the Members other than Developer, the remaining Directors may fill such vacancy. Directors elected by Members may be removed with or without cause by the vote or agreement in writing of Members holding a majority of the Voting Interests.

4.4 Compensation. No Director shall receive compensation for any service rendered as a Director to Association; provided, however, any Director may be reimbursed for actual expenses incurred as a Director.

4.5 Action Taken Without a Meeting. Except to the extent prohibited by law, the Board shall have the right to take any action without a meeting by obtaining the written approval of the required number of Directors. Any action so approved shall have the same effect as though taken at a meeting of Directors.

4.6 Appointment and Election of Directors.

4.6.1 Prior to the Turnover Date. Prior to the Turnover Date, the Board shall consist of three (3) members. Developer shall have the unrestricted power to appoint all Directors of Association.

4.6.2 After the Turnover Date. From and after the Turnover Date, or such earlier date determined by Developer in its sole and absolute discretion, the number of Directors will be determined by the Board.

4.7 Election. Election to the Board shall be by secret written ballot, unless unanimously waived by all person(s) present. The person(s) receiving the largest numbers of votes shall be elected. Cumulative voting is not permitted.

4.8 Fiduciary Duty of Directors. Directors shall act in good faith in the performance of all duties.

5. Meeting of Directors.

5.1 Regular Meetings. Regular meetings of the Board shall be held on a schedule adopted by the Board from time to time. Meetings shall be held at such place, hour and date as may be fixed, from time to time, by resolution of the Board.

5.2 Special Meetings. Special meetings of the Board shall be held when called by the President, or by any two (2) Directors. Each Director shall be given not less than two (2) days' notice except in the event of an emergency. Notice may be waived. Attendance shall be a waiver of notice. Telephone conference meetings are permitted.

5.3 Emergencies. In the event of an emergency involving immediate danger of injury or death to any person or damage to property, if a meeting of the Board cannot be immediately convened to determine a course of action, the President or, in his absence, any other officer or director, shall be authorized to take such action on behalf of Association as shall be reasonably required to appropriately respond to the emergency situation, including the expenditure of Association funds in the minimum amount as may be reasonably required under the circumstances. The authority of officers to act in accordance herewith shall remain in effect until the first to occur of the resolution of the emergency situation or a meeting of the Board convened to act in response thereto.

5.4 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting, at which a quorum is present, or in writing in lieu thereof, shall be action of the Board.

5.5 Open Meetings. Meetings of the Board shall be open to all Members.

5.6 Voting. Board Members shall cast votes in the manner provided in the Florida Statutes. In the absence of a statutory provision, the Board shall establish the manner in which votes shall be cast.

5.7 Notice of Board Meetings. Notices of meetings of the Board shall be posted in a conspicuous place on the Common Areas and/or in the Club at least 48 hours in advance, except in an event of an emergency. Alternatively, notice may be given to Members in any other manner provided by Florida Statute. By way of example, and not of limitation, notice may be given in any Club newsletter distributed to the Members. For the purposes of giving notice, the area for notices to be posted within the Club shall be deemed a conspicuous place. Notices of any meetings of the Board at which Assessments against Homes are to be established shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments.

6. Powers and Duties of the Board.

6.1 Powers. The Board shall, subject to the limitations and reservations set forth in the Declaration and Articles, have the powers reasonably necessary to manage, operate, maintain and discharge the duties of Association, including, but not limited to, the power to cause Association to do the following:

6.1.1 General. Exercise all powers, duties and authority vested in or delegated to Association by law and in these By-Laws, the Articles, the Declaration and the Club Plan, including, without limitation, adopt budgets, levy Assessments, enter into contracts with Telecommunications Providers for Telecommunications Services, and, by a majority vote of the Board, without the consent of any Owner or any other party, exercise the Association's option to acquire the Club.

6.1.2 Rules and Regulations. Adopt, publish, promulgate and enforce rules and regulations governing the use of Silver Palms by the Members, tenants and their guests and invitees, and to establish penalties and/or fines for the infraction thereof subject only to the requirements of the Florida Statutes, if any.

6.1.3 Enforcement. Suspend the right of use of the Common Areas (other than for vehicular and pedestrian ingress and egress and for utilities) of a Member during any period in which such Member shall be in default in the payment of any Assessment or charge levied, or collected, by Association.

6.1.4 Declare Vacancies. Declare the office of a member of the Board to be vacant in the event such Member shall be absent from three (3) consecutive regular Board meetings.

6.1.5 Hire Employees. Employ, on behalf of Association, managers, independent contractors, or such other employees as it deems necessary, to prescribe their duties and delegate to such manager, contractor or other person or entity any or all of the duties and functions of Association and/or its officers.

6.1.6 Common Areas. Dedicate, grant, license, lease, concession, create easements upon, sell or transfer all or any part of, the Common Areas to any public agency, entity, authority, utility or other person or entity for such purposes as subject to such conditions as it determines and as provided in the declaration; and acquire, sell, operate, lease, manage and otherwise trade and deal with property, real and personal, including the Common Areas and Club, if required by Club Owner, as provided in the Declaration and Club Plan, and with any other matters involving Association or its Members, on behalf of Association or the discharge of its duties, as may be necessary or convenient for the operation and management of Association and in accomplishing the purposes set forth in the Declaration.

6.1.7 Granting of Interest. Grant licenses, easements, permits, leases, or privileges to any individual or entity, including non-parcel owners, which affect the Common Areas, Silver Palms or the Club and to alter, add to, relocate or improve the Common Areas, Silver Palms and/or the Club (to the extent permitted by the Club Owner) as provided in the Declaration.

6.1.8 Financial Reports. Prepare all financial reports required by the Florida Statutes.

6.1.9 District. Contract with the District for any lawful purpose.

6.2 Vote. The Board shall exercise all powers so granted except where the Declaration, Articles or these By-Laws specifically require a vote of the Members.

6.3 Limitations. Until the Turnover Date, Developer shall have and is hereby granted a right to disapprove or veto any such action, policy, or program proposed or authorized by Association, the Board, the ACC, any committee of Association, or the vote of the Members. This right may be exercised by Developer at any time within ten (10) days following a meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to veto proposed actions but shall not extend to the requiring of any action or counteraction on behalf of Association, the Board, the ACC or any committee of the Association.

7. Obligations of Association. Association, subject to the provisions of the Declaration, Articles, and these By-Laws and Club Plan shall discharge such duties as necessary to operate Association and pursuant to the Declaration, including, but not limited to, the following:

7.1 Official Records. Maintain and make available all Official Records.

7.2 Supervision. Supervise all officers, agents and employees of Association, and to see that their duties are properly performed.

7.3 Assessments and Fines. Fix and collect the amount of the Assessments against, or due from, each Owner including, but not limited to, fines, lien enforcement, and other necessary legal proceedings; and pay, or cause to be paid, all obligations of Association or where Association has agreed to do so, of the Members.

7.4 Enforcement. Enforce the provisions of the Declaration, Articles, these By-Laws, Rules and Regulations and, when required by Club Owner, the Club Plan.

8. Officers and Their Duties.

8.1 Officers. The officers of this Association shall be a President, a Vice President, a Secretary, and a Treasurer.

8.2 Election of Officers. Except as set forth below, the election of officers shall be by the Board and shall take place at the first meeting of the Board following each Annual Members Meeting.

8.3 Term. The officers named in the Articles shall serve until their replacement by the Board. The officers of Association shall hold office until their successors are appointed or elected unless such officer shall sooner resign, be removed, or otherwise become disqualified to serve.

8.4 Special Appointment. The Board may elect such other officers as the affairs of Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

8.5 Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

8.6 Vacancies. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the replaced officer.

8.7 Multiple Offices. The offices of President and Vice-President shall not be held by the same person. All other offices may be held by the same person.

8.8 Duties. The duties of the officers are as follows:

8.8.1 President. The President shall preside at all meetings of Association and Board, sign all leases, mortgages, deeds and other written instruments and perform such other duties as may be required by the Board. The President shall be a member of the Board.

8.8.2 Vice President. The Vice President shall act in the place and stead of the President in the event of the absence, inability or refusal to act of the President, and perform such other duties as may be required by the Board.

8.8.3 Secretary. The Secretary shall record the votes and keep the Minutes of all meetings and proceedings of Association and the Board; keep the corporate seal of Association and affix it on all papers required to be sealed; serve notice of meetings of the Board and of Association; keep

appropriate current records showing the names of the Members of Association together with their addresses; and perform such other duties as required by the Board.

8.8.4 Treasurer. The Treasurer shall cause to be received and deposited in appropriate bank accounts all monies of Association and shall disburse such funds as directed by the Board; sign, or cause to be signed, all checks, and promissory notes of Association; cause to be kept proper books of account and accounting records required pursuant to the provisions of Section 720.303 of the Florida Statutes cause to be prepared in accordance with generally accepted accounting principles all financial reports required by the Florida Statutes; and perform such other duties as required by the Board.

9. Committees.

9.1 General. The Board may appoint such committees as deemed appropriate. The Board may fill any vacancies on all committees.

9.2 ACC. Developer shall have the sole right to appoint the members of the ACC until the Turnover Date. Upon expiration of the right of Developer to appoint members of the ACC, the Board shall appoint the members of the ACC. As provided under the Declaration, Association shall have the authority and standing to seek enforcement in courts of competent jurisdiction any decisions of the ACC.

10. Records. The official records of Association shall be available for inspection by any Member at the principal office of Association. Copies may be purchased, by a Member, at a reasonable cost.

11. Corporate Seal. Association shall have an impression seal in circular form.

12. Amendments.

12.1 General Restrictions on Amendments. Notwithstanding any other provision herein to the contrary, no amendment to these By-Laws shall affect the rights of Developer or Club Owner unless such amendment receives the prior written consent of Developer or Club Owner which may be withheld for any reason whatsoever. If the prior written approval or consent of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to these By-Laws, then the prior written consent of such entity or agency must also be obtained. No amendment shall be effective until it is recorded in the Public Records.

12.2 Amendments Prior to and Including the Turnover Date. Prior to and including the Turnover Date, Developer shall have the right to amend these By-Laws as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Developer's right to amend under this provision is to be construed as broadly as possible. In the event that Association shall desire to amend these By-Laws prior to and including the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment, such consent to be at Developer's sole and absolute discretion. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

12.3 Amendments After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, these By-Laws may be amended with the approval of (i) sixty-six and two-thirds percent (66 2/3%) of the Board; and (ii) seventy-five percent (75%) of votes, in person or by proxy, at a duly noticed meeting of the Members at which there is a quorum. Notwithstanding the foregoing, these By-Laws may be amended after the Turnover Date by sixty-six and two-thirds percent (66 2/3%) of the Board acting alone to change the number of directors on the Board. Such change shall not require the approval of the Members. Any change in the number of directors shall not take effect until the next Annual Members Meeting.

13. Conflict. In the case of any conflict between the Articles and these By-Laws, the Articles shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

14. Fiscal Year. The first fiscal year shall begin on the date of incorporation and end on December 31 of that year. Thereafter, the fiscal year of Association shall begin on the first day of January and end on the 31st day of December of every year.

15. Miscellaneous.

15.1 Florida Statutes. Whenever these By-Laws refer to the Florida Statutes, it shall be deemed to refer to the Florida Statutes as they exist on the date these By-Laws are recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

15.2 Severability. Invalidation of any of the provisions of these By-Laws by judgment or court order shall in no way affect any other provision, and the remainder of these By-Laws shall remain in full force and effect.

EXHIBIT 4  
CLUB PLAN

THIS INSTRUMENT PREPARED BY:

Patricia Kimball Fletcher, Esq.  
Patricia Kimball Fletcher, P.A.  
Duane Morris LLP  
200 South Biscayne Blvd.  
Suite 3400  
Miami, Florida 33131

**CLUB SILVER PALMS CLUB PLAN**

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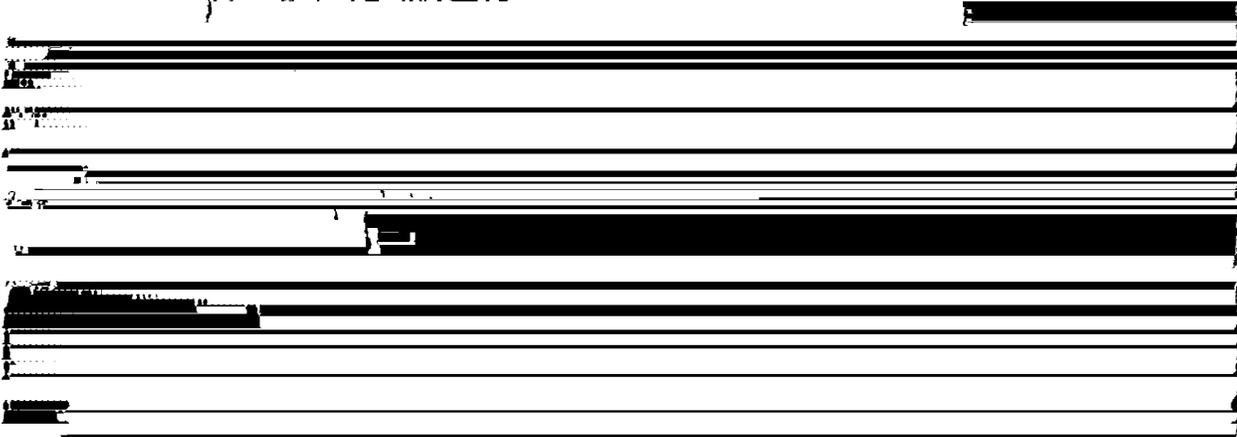
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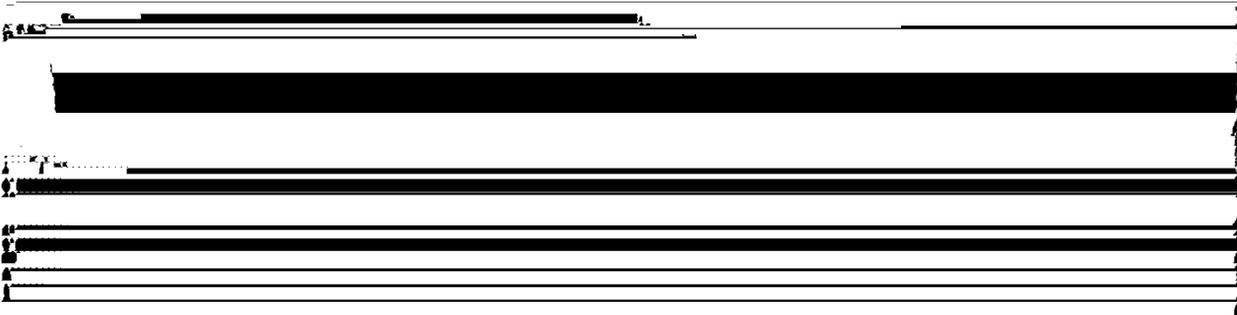
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## CLUB SILVER PALMS CLUB PLAN

LENNAR HOMES, INC., a Florida corporation ("Lennar"), is or will be the owner of the real property described on Exhibit A attached hereto and made a part hereof ("Club Property"). The Club Property is located within the real property described on Exhibit B attached hereto and made a part hereof ("Silver Palms"). Lennar hereby declares that the real property comprising the Club Property shall be subject to the following restrictions, covenants, terms and conditions set forth in this Club Plan so that the residents of Silver Palms shall have access and the use of certain club facilities:

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

"Assessments" shall have the meaning set forth in the Declaration.

"Association" shall mean Silver Palms by Lennar Community Association, Inc., its successors and assigns.

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

"Budget" shall have the meaning set forth in Section 8 hereof.

"Builder" shall mean any person or entity that purchases a Parcel from Developer for the purpose of constructing one or more Homes.

"Club Contribution" shall have the meaning set forth in Section 7 hereof.

"Club Dues" shall mean the charges related to the Club to be paid by the Owners and Builders pursuant to the provisions of this Club Plan and the Declaration including, without limitation, the Club Membership Fee.

"Club Expenses" shall mean all costs (as such term is used in its broadest sense) of owning (including Club Owner's debt service), operating, managing, maintaining, insuring the Club, whether direct or indirect including, but not limited to, trash collection, utility charges, cablevision charges, maintenance, legal fees of Club Owner relative to the Club, cost of supervision, management fees, reserves, repairs, replacement, refurbishments, payroll and payroll costs, insurance, working capital, ad valorem or other taxes (excluding income taxes of Club Owner), assessments, costs, expenses, levies and charges of any nature which may be levied, imposed or assessed against, or in connection with, the Club. By way of example, and not as a limitation, the following expenses shall be included within Club Expenses: liability, casualty and business interruption insurance (with such deductibles as Club Owner deems appropriate); real property taxes, personal property taxes and taxing and educational facilities benefit district assessments; roof repair and replacement; and all other costs associated with changing or enhancing Club Facilities after initial construction. Club expenses shall not include replacement of the basic building shell (other than roof repair and replacement) and the initial cost of construction of the Club Facilities. Club Owner may allocate a reasonable portion of its overhead (e.g., employee salaries) to Club Expenses to extent the Club benefits from such overhead. Club Expenses shall include all legal expenses of Club Owner with respect to the Club.

"Club Facilities" shall mean the actual facilities, improvements and personal property which Club Owner shall actually have constructed and/or made available to Owners pursuant to this Club Plan. The Club Facilities are more specifically set forth in Section 3.2 herein. THE CLUB FACILITIES ARE SUBJECT TO CHANGE AT ANY TIME AT CLUB OWNER'S SOLE AND ABSOLUTE DISCRETION.

"Club Manager" shall mean the entity operating and managing the Club, at any time. Club Owner may be Club Manager as provided in this Club Plan. Club Owner reserves the right to designate the Club Manager in Club Owner's sole and absolute discretion.

"Club Membership Fee Schedule" shall have the meaning set forth in Section 6.2 hereof.

"Club Membership Fee" shall mean the fee to be paid to Club Owner by each Owner pursuant to the provisions of Section 6.2 hereof.

**“Club Owner”** shall mean the owner of the real property comprising the Club and any of its designees, successors and assigns who receive a written assignment of all or some of the rights of Club Owner hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Club Owner but may exercise such rights of Club Owner specifically assigned to it. Any such assignment may be made on a non-exclusive basis. At this time, Lennar is Club Owner. Club Owner may change from time to time (e.g., Lennar may sell the Club). Notwithstanding that the Club Owner and the Developer may be the same party, affiliates or related parties from time to time, each Owner and Builder acknowledges that Club Owner and Developer shall not be considered being one and the same party, and neither of them shall be considered the agent or partner of the other. At all times, Club Owner and Developer shall be considered separate and viewed in their separate capacities. No act or failure to act by Developer shall at any time be considered an act of Club Owner and shall not serve as the basis for any excuse, justification, waiver or indulgence to the Owners and Builders with regard to their prompt, full, complete and continuous performance of their obligations and covenants hereunder.

**“Club Plan”** shall mean this Club Silver Palms Club Plan, together with all amendments and modifications hereto, and all Club Membership Fee Schedules supplementing the terms hereof.

**“Club Property”** shall initially mean the real property described on **Exhibit A** attached hereto and made a part hereof. Thereafter, Club Property shall include any real property designated by Club Owner as part of the Club Property by amendment to this Club Plan.

**“Club Silver Palms Rules and Regulations”** shall have the meaning set forth in Section 14.8 hereof.

**“Club”** shall mean the Club Property and all facilities constructed thereon subject to additions and deletions made by Club Owner from time to time. The Club may be comprised of one or more parcels of land, which may not be connected or adjacent to one another. Notwithstanding the foregoing, Club Owner will not change the legal description of the Club Property after the Community Completion Date.

**“Common Areas”** shall have the meaning set forth in the Declaration.

**“Community Completion Date”** shall have the meaning set forth in the Declaration.

**“Declaration”** shall mean that certain Amended and Restated Declaration for Silver Palms, as such Declaration shall be amended or modified from time to time, which has or will be recorded in the Public Records.

**“Deed”** shall mean any deed conveying any portion of Silver Palms or any interest therein and any other instrument conveying or transferring or assigning the interest of an Owner to another including, without limitation, a deed to a Home, but excluding a mortgage on a Home.

**“Developer”** shall have the meaning set forth in the Declaration. At this time Developer is Lennar.

**“Home”** shall have the meaning set forth in the Declaration. A Home shall be deemed created and have perpetual existence upon the issuance of a final or temporary Certificate of Occupancy for such residence; provided, however, the subsequent loss of such Certificate of occupancy (e.g., by casualty, destruction or remodeling) shall not affect the status of a Home, or the obligation of Owner to pay Club Dues with respect to such Home. The term “Home” includes any interest in land, improvements, or other property appurtenant to the Home.

**“Immediate Family Members”** shall mean the spouse of the Member and all unmarried children twenty-one (21) years and younger of either the Member or the Member's spouse. If a Member is unmarried, the Member may designate one other person who is living with such Member in the Home in addition to children of the Member as an adult Immediate Family Member. No unmarried child or other person shall qualify as an Immediate Family Member unless such person is living with the Member within the Home.

**"Lender"** shall mean (i) the institutional and licensed holder of a first mortgage encumbering a Home or (ii) Developer and its affiliates, to the extent Developer or its affiliates finances the purchase of a Home initially or by assignment of an existing mortgage.

**"Lennar"** shall mean Lennar Homes, Inc., a Florida corporation, its successor and/or assigns. Although not obligated to do so, Lennar may identify its successors or assigns by an amendment to this Club Plan.

**"Lessee"** shall mean the lessee named in any written lease respecting a Home who is legally entitled to possession of any rental Home within Silver Palms. An Owner and Lessee shall be jointly and severally liable for all Club Dues.

**"Member"** shall mean every Owner (other than an Owner who has leased his Home to Lessee) and Lessee; provided, however, for the purposes of Membership, there shall be only one Owner or Lessee per Home. A person shall continue to be a Member until he or she ceases to be an Owner, or ceases to be a Lessee legally entitled to possession of a rental Home. Once an Owner leases a Home, only the Lessee shall be entitled to exercise the privileges of a Member with respect to such Home; however, the Owner and Lessee shall be jointly and severally liable for all Club Dues.

**"Owner"** shall mean the record owner (whether one or more persons or entities) of fee simple title to any Home. The term "Owner" shall not include Developer, Club Owner, or a Lender. A purchaser of a Parcel who thereafter builds one or more Homes upon such Parcel shall be deemed an Owner with respect to each Home.

**"Parcel"** shall mean a platted or unplatted lot, tract, unit or other subdivision of real property upon which a Home has been, or will be, constructed. Once improved, the term Parcel shall include all improvements thereon and appurtenances thereto. The term Parcel, as used herein, may include more than one Home.

**"Parking Areas"** shall mean all areas designated for parking within the Club Facilities.

**"Public Records"** shall mean the Public Records of Miami-Dade County, Florida, as applicable.

**"Purchase Option"** shall have the meaning set forth in Section 5.5 hereof.

**"Silver Palms"** shall have the meaning set forth in the Declaration. Silver Palms presently includes the real property described on **Exhibit B**; however, Developer has reserved the right to withdraw property from, or add property to, Silver Palms, so Silver Palms may include less or more Homes than originally anticipated.

**"Special Use Fees"** shall have the meaning set forth in Section 6.9 hereof.

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

2. **Benefits of Club.** Association and each Owner, by acceptance of title to a Home, ratify and confirm this Club Plan and agree as follows:

2.1 **Term and Covenant Running with Land.** The terms of this Club Plan shall be covenants running with Silver Palms in perpetuity and be binding on each Owner and his, her or its successors in title and assigns. Every portion of Silver Palms which can be improved with a Home shall be burdened with the payment of Club Dues. Every Owner, by acceptance of a Deed to any Home, shall automatically assume and agree to pay all Club Dues owing in connection with such Home. Every Builder, upon receipt of a Certificate of Occupancy for a Home located on a Parcel owned by such Builder, shall automatically assume and agree to pay all Club Dues which shall be due and payable from and after the issuance of such Certificate of Occupancy unless this requirement is waived in writing by Club Owner in its sole and absolute discretion as to any particular Builder.

2.2 **Value.** By acceptance of a Deed, each Owner acknowledges that the automatic membership in the Club granted to Owners and Lessees renders ownership of Silver Palms and any part thereof more valuable than it would be otherwise. All Owners and Club Owner agree that the provisions and enforceability of this Club Plan are mutually beneficial. Each Owner and

Builder acknowledges that Club Owner is initially investing substantial sums of money and time in developing the Club Facilities on the basis that eventually the Club will generate a substantial profit to Club Owner. Each Owner and Builder agrees that Club Owner would not have made such a substantial investment of money without the anticipation of such profit and such profit shall not, if ever generated, affect the enforceability of this Club Plan so long as each Owner and Builder does not pay Club Fees in excess of the amounts provided herein.

2.3 Product Purchased. There were significant other housing opportunities available to each Owner in the general location of Silver Palms. The Home, and its appurtenant rights to utilize the Club, were material in each Owner's decision to purchase a Home in Silver Palms and were, for the purposes of this Club Plan, a "single product." Each Owner understands that the Club is an integral part of the Silver Palms community.

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

2.5 Non-Exclusive License. The provisions of this Club Plan do not grant any ownership rights in the Club in favor of Association or Members but, rather, grant a non-exclusive license to use the Club subject to full compliance with all obligations imposed by this Club Plan.

### 3. Club Facilities.

3.1 Club Property. Club Owner presently owns all of the real property comprising the Club Property. The Club Property may be expanded to include additional property in Club Owner's sole and absolute discretion. Likewise, Club Owner may elect to remove portions of real property from the definition of Club Property by amendment to this Club Plan. Such additions and deletions, while not causing an increase or decrease in the Club Membership Fees payable with respect to each Home, may cause an increase or decrease in Club Expenses.

3.2 Club Facilities. Club Owner intends to construct certain club facilities on the Club Property (the "**Club Facilities**") which will be and shall remain the property of Club Owner, subject only to the provisions hereof. At this time, the Club Facilities are planned to include a fitness building with exercise room, equipment and lockers, clubhouse meeting room, tot lot, spa and one or more outdoor swimming pools (subject to Club Owner's paramount right to unilaterally, and without the joinder of any party whomsoever, add to, alter, modify and amend the Club Facilities at any time subject to the provisions hereof).

3.3 Construction of the Club. Club Owner will construct the Club Facilities at its sole cost and expense. Club Owner shall be the sole and absolute judge as to the plans, size, design, location, completion, schedule, materials, equipment, size, and contents of the Club Facilities. Club Owner shall have the unequivocal right to:

3.3.1 develop, construct and reconstruct, in whole or in part, the Club and related improvements within Silver Palms, and make any additions, alterations, improvements, or changes thereto;

3.3.2 without the payment of rent and without payment of utilities or any other part of the Club Expenses, maintain leasing and/or sales offices (for sales and resales of Homes), general offices, and construction operations on the Club Property including, without limitation, displays, counters, meeting rooms, and facilities for the sales and re-sales of Homes;

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

3.3.4 temporarily deposit, dump or accumulate materials, trash, refuse and rubbish on the Club Property in connection with the development or construction of any of the Club or any improvements located within Silver Palms;

3.3.5 post, display, inscribe or affix to the exterior of the Club and the Club Property, signs and other materials used in developing, constructing, selling, or promoting the sale of portions of Silver Palms including, without limitation, the sale of Parcels and Homes;

3.3.6 conduct whatever commercial activities within the Club deemed necessary, profitable and/or appropriate by Club Owner;

3.3.7 develop, operate and maintain the Club as deemed necessary, in its sole and absolute discretion;

3.3.8 excavate fill from any lakes or waterways within and/or contiguous to the Club by dredge or dragline, store fill within the Club Property, and remove and/or sell excess fill; and grow or store plants and trees within, or contiguous to, the Club Property and use and/or sell excess plants and trees; and

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

3.4 Changes. Club Owner reserves the absolute right in Club Owner's discretion to, from time to time, alter or change the Club, including construction of additional Club Facilities and/or the removal or modification thereof, at any time. Such alterations, modifications and amendments may cause an increase or decrease in Club Expenses.

3.5 Commercial Space. It is possible that portions of the Club Facilities may include a sales office, retail space and/or other commercial space as Club Owner may deem appropriate in Club Owner's sole and absolute discretion. Club Owner may permit Members to access any commercial facilities located within the Club Property at Club Owner's sole and absolute discretion. Club Owner may grant leases, franchises, licenses or concessions to commercial concerns on all or part of the Club. If a lease, franchise, license or concession agreement permits continuing use of the Club Facilities by any one other than Club Owner or Members, then Club Owner shall require such other user(s) to pay a fair and reasonable share of the Club Expenses as determined by Club Owner in its sole and absolute discretion. Club Owner shall have no duty to account for any rents, fees or payments from third parties for the right to occupy and/or lease such commercial space; all of such rents, fees and payments, if any, shall be the sole property of Club Owner and shall not offset or reduce the Club Dues payable by Owners and Builders.

#### 4. Persons Entitled to Use the Club.

4.1 Rights of Members. Each Member and his Immediate Family Members shall have such non-exclusive rights and privileges as shall from time to time be granted by Club Owner. In order to exercise the rights of a Member, a person must be a resident of the Home. If a Home is owned by a corporation, trust or other legal entity, or is owned by more than one family, then the Owner(s) collectively shall designate one (1) person residing in the Home who will be the Member of the Club with respect to such Home. Members shall have no right to access the commercial space comprising part of the Club Facilities, or portions of the Club Property leased or licensed to third parties or Members, except as and when permitted by Club Owner.

4.2 Use by Persons Other than Owners and Lessees. Club Owner has the right at any and all times, and from time to time, to make the Club available to individuals, persons, firms or corporations other than Members. Club Owner shall establish the fees to be paid, if any, by any person using the Club who is not a Member. The granting of such rights shall not invalidate this Club Plan, reduce or abate any Owner's obligations to pay Club Dues pursuant to this Club Plan, or give any Owner the right to avoid any of the provisions of this Club Plan.

4.3 Subordination. This Club Plan and the rights of Members to use the Club is and shall be subject and subordinate to: (a) any ground lease, mortgage, deed of trust, or other encumbrance and any renewals, modifications and extensions thereof, now or hereafter placed on the Club by Club Owner; and (b) easements, restrictions, limitations and conditions, covenants and restrictions of record, and other conditions of governmental authorities. This provision shall be self-operative. Association, in its own name and, as agent for all Owners, shall sign any documents confirming the subordination provided herein promptly upon request of Club Owner.

#### 5. Ownership and Control of the Club.

5.1 Control of Club By Club Owner. The Club shall be under the complete supervision and control of Club Owner unless Club Owner appoints a third party as Club Manager.

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

5.3 Change In Terms of Offer. Club Owner may provide that some Owners pay Club Membership Fees on a different basis than other Owners by recording a supplement or amendment to this Club Plan with respect to one or more Homes. No Owner shall have the right to object to any other Owner paying greater or lesser Club Membership Fees so long as the Club Membership Fee applicable to any particular Home is in accordance with the Club Plan and the Club Membership Fee Schedule applicable to such Home.

5.4 Option of Club Owner. In Club Owner's sole discretion, Club Owner shall have the option to transfer the Club to Association so that it will be under the complete control of the Owners.

5.5 Association's Option to Purchase the Club. On or after two (2) years from the Community Completion Date, Association shall have the option to purchase the Club from Club Owner (the "Purchase Option") for an amount resulting from (the "Purchase Price") the application of the capitalization rate of six percent (6%) applied to the total annual Club Membership Fees that would be payable by all Owners to Club Owner during the calendar year in which the closing occurs (assuming the Purchase Option was not exercised). This Purchase Option may be exercised by a resolution of the majority of the Board of Association, without the joinder of any Owner or any other person. Such Purchase Option shall be exercised by written notice (the "Option Notice") to Club Owner signed by a majority of the Board in the form attached hereto as Exhibit E, which Option Notice shall be delivered by professional overnight courier to Club Owner at the following address (or such other address as may be designated by Club Owner from time to time by amendment to this Club Plan):

Lennar Homes, Inc.  
730 N.W. 107<sup>th</sup> Avenue, Fourth Floor  
Miami, Florida 33172  
Attention: Regional President --  
South Florida Region

With a copy to: Patricia Kimball Fletcher, P.A.  
Duane Morris LLP  
200 South Biscayne Boulevard  
Suite 3400  
Miami, Florida 33131  
Attention: Patricia Kimball Fletcher, Esq.

The Option Notice shall be irrevocable once signed by a majority of the Board. Club Owner shall convey the Club to Association within sixty (60) days' of Club Owner's receipt of the Option Notice. The conveyance of the Club shall occur in accordance with the terms as set forth in the Agreement for Sale and Purchase by and between Club Owner and Association, which shall be in substantially the form attached hereto as Exhibit F.

5.6 Documentation of Transfer.

5.6.1 Documentation from Club Owner. At the time that the Club is transferred to Association, Club Owner shall be obligated to deliver the following: a special warranty deed for the real property comprising the Club, a special bill of sale respecting the personal property comprising the Club, an assignment of any alcoholic beverage license used in connection with the Club (subject to all state requirements for such transfer), if any, an owner's title insurance policy respecting the Club at Association's sole cost and expense, a closing statement and all affidavits and other documents required by the title insurance company to effect the transfer of the Club.

5.6.2 Documentation from Association. At the time that the Club is transferred to Association, Association shall be obligated to deliver the following: the Purchase Price, all costs to effect the transfer including, without limitation, the cost of the owner's title insurance policy, all documentary stamp taxes and surtaxes, and the costs of preparing all closing documentation, by Federal wire: a closing statement; a general release in the form attached hereto as Exhibit C and all affidavits and other documents required by the title insurance

company to effect the transfer of the Club. Association shall be responsible for arranging for all purchase money financing and paying costs associated therewith.

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

5.8 Ambiguities/Association to Bear Legal Expenses. In the event that there is any ambiguity or question regarding the provisions of this Club Plan, Club Owner's determination of such matter shall be conclusive and binding. Therefore, and in order to ensure that the Owners and Association abide by Club Owner's determination, in the event that there is any dispute respecting the interpretation of this Club Plan, the Purchase Option, or any other aspect of the transfer of the Club to Association, Association shall bear all legal expenses of both Association and Club Owner including, without limitation, all attorney's fees, paraprofessional fees and costs pre-trial and at all levels of proceedings, including appeals, regardless of the outcome of such proceedings.

5.9 Early Purchase. The majority of the Board of Association, without the joinder of any Owner or any other person, may make an earlier offer to purchase the Club from Club Owner. Club Owner, in its sole and absolute discretion, may consider such offer and negotiate an early sale to Association on terms satisfactory to Club Owner. Alternatively, Club Owner may refuse to consider any early offer to purchase the Club by Association.

6. Club Dues. In consideration of the construction and providing for use of the Club by the Owners, each Owner by acceptance of a deed to a Home shall be deemed to have specifically covenanted and agreed to pay all Club Dues which are set forth herein. Club Owner presently intends to collect Club Dues on a monthly basis but reserves the right to change the payment period from time to time (e.g., to require payment on a quarterly basis). Notwithstanding the foregoing, Club Owner may require an Owner or all Owners to pay Club Dues on an annual or other basis, in advance, based on prior payment history or other financial concerns, in Club Owner's sole discretion.

6.1 Club Expenses. Each Owner agrees to pay and discharge, in a timely fashion when due, its pro rata portion (as hereinafter set forth) of the Club Expenses. The Owners shall collectively bear all expenses associated with the Club so that Club Owner shall receive the Club Membership Fees without deduction of expenses or charges in respect of the Club. Commencing on the first day of the period covered by the annual budget, and until the adoption of the next annual budget, the Club Expenses shall be allocated so that each Owner shall pay his pro rata portion of Club Expenses based upon a fraction, the numerator of which is one (1) and the denominator of which is (i) the total number of Homes in Silver Palms conveyed to Owners or (ii) any greater number determined by Club Owner from time to time. Club Owner, in its sole and absolute discretion, may change the denominator from time to time. Under no circumstances will the denominator be less than the number of Homes owned by Owners other than Developer as of September 30 of the prior fiscal year.

6.2 Club Membership Fee. Each Owner of any Home within Silver Palms shall pay in advance on the first day of each month (or other payment period designated by Club Owner), without setoff or deduction, to Club Owner, or its designee, the club membership fee (the "**Club Membership Fee**") set forth in the Club Membership Fee Schedule attached hereto as **Exhibit D** (the "**Club Membership Fee Schedule**").

6.3 Taxes. In addition to the Club Membership Fee, each Owner shall pay all applicable sales, use or similar taxes now or hereafter imposed on the Club Membership Fee. Currently, sales tax is payable on the entire amount of Club Dues.

6.4 Builders. Although a Builder shall have no membership rights relative to the Club, each Builder shall pay Club Dues on each Home owned by such Builder on the same basis as all other Owners commencing upon the date that such Builder receives a Certificate of Occupancy for a Home located on a Parcel owned by such Builder.

6.5 Perpetual. Each Owner's and each Builder's obligation to pay Club Dues shall be perpetual regardless of whether such Home is occupied, destroyed, renovated, replaced, rebuilt or leased.

6.6 Individual Homes. Owners of individual Homes shall pay Club Dues for one membership per month per Home. If an Owner owns more than one Home, Club Dues are payable for each and every Home owned by such Owner.

6.7 Excuse or Postponement. Club Owner may excuse or postpone Club Dues in its sole and absolute discretion.

6.8 Club Owner's Obligation. Under no circumstances shall Club Owner or Developer be required to pay Club Dues. To the extent that Club Owner elects, in Club Owner's sole and absolute discretion, to base the annual budget on a number of Homes greater than those actually in existence within Silver Palms, Club Owner agrees to pay the difference, if any, between actual Club Expenses and Club Dues paid by Owners and Builders, if any.

6.9 Special Use Fees. Club Owner shall have the right to establish from time to time, by resolution, rule or regulation, or by delegation to the Club Manager, specific charges, ticket, service and/or use fees and charges ("Special Use Fees"), for which one or more Owners (but less than all Owners) are subject, such as, costs of special services or facilities provided to an Owner relating to the special use of the Club or tickets for shows, special events, or performances held in the Club Facilities which are paid initially by Club Owner. Special Use Fees shall be payable at such time or time(s) as determined by Club Owner. Without limiting the foregoing, Owners shall be charged Special Use Fees for the use of vending machines, video arcade machines and entertainment devices. Club Owner shall have no duty to account for any Special Use Fees; all of such Special Use Fees shall be the sole property of Club Owner and shall not offset or reduce the Club Dues payable by Owners and Builders. For those programs or events, if any, for which tickets are sold, Club Owner shall adopt such Club Silver Palms Rules and Regulations as to entitlement of the tickets as Club Owner deems necessary.

6.10 Additional Club Dues. If an Owner, his or her guests, invitees, licensees, agents, servants or employees do anything which increases the cost of maintaining or operating the Club, or cause damage to any part of the Club, Club Owner may levy additional Club Dues against such Owner in the amount necessary to pay such increased cost or repair such damage.

6.11 Commencement of First Charges. The obligation to pay Club Dues, including, without limitation, the Club Membership Fee, shall commence as to each Owner on the day of the conveyance of title of a Home to an Owner and as to each Builder on the date that a Home owned by such Builder receives a Certificate of Occupancy. Notwithstanding the foregoing, no Owner or Builder shall be obligated to pay Club Dues until the first day of the calendar month upon which any portion of the Club Facilities can be used by Owners (e.g., upon issuance of a temporary Certificate of Occupancy for any structure forming part of the Club Facilities).

6.12 Time Is of Essence. Faithful payment of the sums due and performance of the other obligations hereunder, at the times stated, shall be of the essence.

6.13 Obligation to Pay Real Estate Taxes and Other Expenses on Homes. Each Owner shall pay all taxes, assessments and obligations relating to his or her Home which if not paid, could become a lien against the Home which is superior to the lien for Club Dues created by this Club Plan. Although a lien for Assessments payable to Association is inferior to the lien of Club Owner (regardless of when the lien for Assessments is filed in the Public Records), each Owner agrees to pay all Assessments when due. Upon failure of an Owner to pay the taxes, assessments, obligations, and Assessments required under this Section, Club Owner may (but is not obligated to) pay the same and add the amount advanced to the Club Dues payable by such Owner.

6.14 Initial Budget. The initial budget prepared by Club Owner is not based on historical operating figures and is not a contractual statement or guaranty of actual Club Dues. It

is not intended that any third party rely on any budget in electing to purchase a Home. The figures shown in the initial budget are based on good faith analysis; therefore, it is likely that the actual budget for the Club may be different once historical figures are known. Projections in budgets are an effort to provide some information regarding future Club Expenses. Budgets may not take inflation into account. Because there is no history of operation, it is impossible to predict actual Club Expenses once the Club begins operation. It is not intended that any third party rely on any budget in electing to purchase a Home. Projections in budgets are an effort to provide some information regarding future Club Expenses.

6.15 Change In Terms of Offer. Club Owner may provide that some Owners pay Club Membership Fees on a different basis than other Owners by recording a supplement or amendment to this Club Plan with respect to one or more Homes. No Owner shall have the right to object to any other Owner paying greater or lesser Club Membership Fees so long as the Club Membership Fee applicable to any particular Home is in accordance with this Club Plan and any Club Membership Fee Schedule applicable to such Home.

7. Club Contribution Fund. There shall be collected from each Owner purchasing a Home from Developer or a Builder at the time of closing a working contribution ("Club Contribution") in the amount of three (3) months Club Dues per Home. Each Owner's Club Contribution shall be transferred to Club Owner at that time. Club Contributions are not to be considered as advance payment of Club Dues. Club Owner shall be entitled to keep such funds, and shall not be required to account for the same. Club Contributions may be used and applied by Club Owner as it deems necessary in its sole and absolute discretion including, without limitation, to reduce Club Expenses. Notwithstanding anything herein to the contrary, Club Owner shall have the option to waive contributions to the Club Contribution Fund in its sole and absolute discretion.

8. Determination of Club Expenses.

8.1 Fiscal Year. The fiscal year for the Club shall be the calendar year.

8.2 Adoption of Budget. Club Dues shall be established by the adoption of a projected operating budget (the "Budget"). Written notice of the amount and date of commencement thereof shall be given to each Owner in advance of the due date of the first installment thereof.

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

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

8.5 Reserves. The Budget may, at the election of Club Owner, include one or more reserve funds for the periodic maintenance, repair and replacement of improvements to the Club Facilities.

8.6 Statement of Account Status. Upon demand, there shall be furnished to an Owner a certificate in writing setting forth whether their Club Dues have been paid and/or the amount which is due as of any date. As to parties (other than Owners) who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any charges therein stated.

8.7 Collection. Club Owner shall determine from time to time the method by which Club Dues, Special Use Fees and any other amounts due to Club Owner shall be collected.

9. Creation of the Lien and Personal Obligation.

9.1 Claim of Lien. Each Owner and Builder, by acceptance of a Deed or instrument of conveyance for the acquisition of title to a Home or Parcel, shall be deemed to have covenanted and agreed that the Club Dues, Special Use Fees, and other amounts Club Owner permits an Owner to put on a charge account, if any, including, without limitation, the Club Membership Fee, together with interest, late fees, costs and reasonable attorneys' and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, collection and bankruptcy, shall be a charge and continuing first lien in favor of Club Owner encumbering each Home and all personal property located thereon owned by the Owner or Builder. The lien is effective from and after recording a Claim of Lien in the Public Records stating the description of the Home, name of the Owner or Builder, and the amounts due as of that date, but shall relate back to the date this Club Plan is recorded. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. All unpaid Club Dues, Special Use Fees, and other amounts Club Owner permits an Owner to put on a charge account, if any, together with interest, late fees, costs and reasonable attorneys' and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, collections and bankruptcy, and other costs and expenses provided for herein, shall be the personal obligation of the person who was the owner of the Home at the time when the charge or fee became due, as well as the owner's heirs, devisees, personal representatives, successors or assigns. If a Home is leased, the Owner shall be liable hereunder notwithstanding any provision in his lease to the contrary. Further, the lien created by this Section is superior to the lien of Association for Assessments.

9.2 Right to Designate Collection Agent. Club Owner shall have the right to designate who shall collect Club Expenses, Special Use Fees, and/or Club Membership Fees and such right shall be perpetual.

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

9.4 Acceleration. In the event of a default in the payment of any Club Dues and related fees and expenses, Club Owner may in Club Owner's sole and absolute discretion accelerate the Club Dues for the next ensuing twelve (12) month period and for twelve (12) months from each subsequent delinquency.

9.5 Non-payment. If any Club Dues are not paid within ten (10) days after the due date, a late fee (to compensate Club Owner for administrative expenses due to late payment) of \$25.00 per month, or such greater amount established by Club Owner, together with interest on all amounts payable to Club Owner in an amount equal to the maximum rate allowable by law, per annum, beginning from the due date until paid in full, may be levied. Club Owner may, at any time thereafter, bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Home, or both. In the event of foreclosure, the defaulting Owner shall be required to pay a reasonable rental for the Home to Club Owner, and Club Owner shall be entitled, as a matter of right, to the appointment of a receiver to collect the same. No notice of default shall be required prior to foreclosure or institution of a suit to collect

sums due hereunder. Club Owner shall not be required to bring such an action if it believes that the best interests of the Club would not be served by doing so. There shall be added to the Claim of Lien all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorneys' fees and paraprofessional fees, at all levels of proceedings, including appeals, collection and bankruptcy. Club Owner shall have all of the remedies provided herein and any others provided by law and such remedies shall be collective. The bringing of action shall not constitute an election or exclude the bringing of any other action. Liens for Club Dues under this Club Plan shall be prior to the liens of Association or any Neighborhood Association.

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

9.7 Suspension. Should an Owner not pay sums required hereunder, or otherwise default, for a period of thirty (30) days, Club Owner may, without reducing or terminating Owner's obligations hereunder, suspend Owner's (or in the event the Home is leased, the Lessee's) rights to use the Club until all fees and charges are paid current and/or the default is cured.

10. Operations.

10.1 Control. The Club shall be under the complete supervision and control of Club Owner until Club Owner, in its sole and absolute discretion, delegates all or part of the right and duty to operate, manage and maintain the Club to a third party as Club Manager, if ever, as hereinafter provided.

10.2 Club Manager. At any time, Club Owner may appoint a Club Manager to act as its agent. The Club Manager shall have whatever rights hereunder as are assigned in writing to it by Club Owner. Without limiting the foregoing, the Club Manager, if so agreed by Club Owner, may file liens for unpaid Club Dues against Homes, may enforce the Club Silver Palms Rules and Regulations, and prepare the Budget for the Club.

11. Paramount Right of Association. Association shall have the right to post all notices of its Board and member meetings and all notices required by the Florida Statutes at a designated location within the Club Facilities visible to all Club Members without charge.

12. Attorneys' Fees. If at any time Club Owner must enforce any provision hereof, Club Owner shall be entitled to recover all of its reasonable costs and attorneys' and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, collections and bankruptcy.

13. Rights to Pay and Receive Reimbursement. Club Owner and/or Association shall have the right, but not the obligation to pay any Club Dues, or Special Use Fees which are in default and which may or have become a lien or charge against any Home. If so paid, the party paying the same shall be subrogated to the enforcement rights with regard to the amounts due. Further, Club Owner and/or Association shall have the right, but not the obligation, to loan funds and pay insurance premiums, taxes or other items of costs on behalf of an Owner to protect its lien. The party advancing such funds shall be entitled to immediate reimbursement, on demand, from the Owner for such amounts so paid, plus interest thereon at the maximum rate allowable by law, plus any costs of collection including, but not limited to, reasonable attorneys' and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, collections and bankruptcy.

14. General Restrictions. Club Owner has adopted the following general restrictions governing the use of the Club. Each Member, Immediate Family Member and other person entitled to use the Club shall comply with following general restrictions:

14.1 Minors. Minors sixteen (16) years and older are permitted to use the Club Facilities (other than the fitness center) without adult supervision. Minors sixteen (16) years of age and older may use the fitness center either with adult supervision or without adult supervision if such minor's parent or legal guardian releases Club Owner from liability for such use pursuant to consent form(s) provided by Club Owner from time to time; provided, however, parents are responsible for the actions and safety of such minors and any damages to the equipment in the fitness center caused by such minors. Minors under sixteen (16) years of age

are not permitted to use the fitness center. Minors under sixteen (16) years of age are not permitted to use the pools without adult supervision. Parents are responsible for the actions and safety of such minors and any damages to the pools caused by such minors. Notwithstanding the foregoing, if minors use the Club Facilities without the proper execution of a consent form or without adult supervision, Club Owner is not liable for the actions of such minors.

14.2 Responsibility for Personal Property and Persons. Each Member assumes sole responsibility for the health, safety and welfare of such Member, his or her Immediate Family Members and guests, and the personal property of all of the foregoing, and each Member shall not allow any of the foregoing to damage the Club or interfere with the rights of other Members hereunder.

14.3 Cars and Personal Property. The Club is not responsible for any loss or damage to any private property used, placed or stored on the Club Facilities. Without limiting the foregoing, any person parking a car within the Parking Areas assumes all risk of loss with respect to his or her car in the Parking Areas. Further, any person entering the Club Facilities assumes all risk of loss with respect to his or her equipment, jewelry or other possessions stored in the fitness center lockers, on bicycles, or within cars and wallets, books and clothing left in the pool area.

14.4 Activities. Any Member, Immediate Family Member, guest or other person who, in any manner, makes use of, or accepts the use of, any apparatus, appliance, facility, privilege or service whatsoever owned, leased or operated by the Club, or who engages in any contest, game, function, exercise, competition or other activity operated, organized, arranged or sponsored by the Club, either on or off the Club Facilities, shall do so at their own risk. Every Member shall be liable for any property damage and/or personal injury at the Club, or at any activity or function operated, organized, arranged or sponsored by the Club, caused by any Member, Immediate Family Member or guest. No Member may use the Club Facilities for any club, society, party, religious, political, charitable, fraternal, civil, fund-raising or other purposes without the prior written consent of Club Owner, which consent may be withheld for any reason.

14.5 Property Belonging to the Club. Property or furniture belonging to the Club shall not be removed from the room in which it is placed or from the Club Facilities.

14.6 Indemnification of Club Owner. In addition, each Member, Immediate Family Member and guest agrees to indemnify and hold harmless Club Owner and Club Manager, their officers, partners, agents, employees, affiliates, directors and attorneys (collectively, "**Indemnified Parties**") against all actions, injury, claims, loss, liability, damages, costs and expenses of any kind or nature whatsoever ("**Losses**") incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect, or consequential, as a result of or in any way related to such Member's membership, including, without limitation, use of the Club Facilities by Members, Immediate Family Members and their guests, or the interpretation of this Club Plan, and/or the Club Silver Palms Rules and Regulations and/or from any act or omission of the Club or of any of the Indemnified Parties. Losses shall include the deductible payable under any of the Club's insurance policies.

14.7 Attorneys' Fees. Should any Member or Immediate Family Member bring suit against Club Owner or Club Manager or any of the Indemnified Parties for any claim or matter and fail to obtain judgment therein against such Indemnified Parties, the Member and/or Immediate Family Member shall be liable to such parties for all Losses, costs and expenses incurred by the Indemnified Parties in the defense of such suit, including attorneys' fees and paraprofessional fees pre-trial and at all levels of proceedings, including appeals.

14.8 Unrecorded Rules. Club Owner may adopt rules and regulations ("**Club Silver Palms Rules and Regulations**") from time to time. Such Club Silver Palms Rules and Regulations may not be recorded; therefore, each Owner and Lessee should request a copy of unrecorded Club Silver Palms Rules and Regulations from the Club and become familiar with the same. Such Club Silver Palms Rules and Regulations are in addition to the general restrictions set forth in this Section.

14.9 Waiver of Club Silver Palms Rules and Regulations. Club Owner may waive the application of any Club Silver Palms Rules and Regulations to one or more Owners, Lessees, guests, invitees, employees or agents in Club Owner's sole and absolute discretion. A waiver may be revoked at any time upon notice to affected Lessees and Owners.

15. Violation of the Club Silver Palms Rules and Regulations.

15.1 Basis For Suspension. The membership rights of a Member may be suspended by Club Owner if, in the sole judgment of Club Owner:

15.1.1 such person is not an Owner or a Lessee;

15.1.2 the Member violates one or more of these Club Silver Palms Rules and Regulations;

15.1.3 an Immediate Family, a guest or other person for whom a Member is responsible violates one or more of these Club Silver Palms Rules and Regulations;

15.1.4 an Owner fails to pay Club Dues in a proper and timely manner; or

15.1.5 a Member and/or guest has injured, harmed or threatened to injure or harm any person within the Club Facilities, or harmed, destroyed or stolen any personal property within the Club Facilities, whether belonging to a third party or to Club Owner.

15.2 Types of Suspension. Club Owner may restrict or suspend, for cause or causes described in the preceding Section, any Member's privileges to use any or all of the Club Facilities. By way of example, and not as a limitation, Club Owner may suspend the membership of a Lessee if such Lessee's Owner fails to pay Club Dues due in connection with a leased Home. In addition, Club Manager may suspend some membership rights while allowing a Member to continue to exercise other membership rights. For example, Club Manager may suspend the rights of a particular Member (and/or Immediate Family Member) or Club Manager may prohibit a Member (and/or Immediate Family Member) from using a portion of the Club Facilities. No Member whose membership privileges have been fully or partially suspended shall, on account of any such restriction or suspension, be entitled to any refund or abatement of Club Dues or any other fees. During the restriction or suspension, Club Dues shall continue to accrue and be payable each month. Under no circumstance will a Member be reinstated until all Club Dues and other amounts due to the Club are paid in full.

16. Destruction. In the event of the damage by partial or total destruction by fire, windstorm, or any other casualty for which insurance shall be payable, any insurance proceeds shall be paid to Club Owner. If Club Owner elects, in Club Owner's sole and absolute discretion, to reconstruct the Club Facilities, the insurance proceeds shall be available for the purpose of reconstruction or repair of the Club; provided, however, Club Owner shall have the right to change the design or facilities comprising the Club in its sole and absolute discretion. There shall be no abatement in payments of Club Dues, including the Club Membership Fee, during casualty or reconstruction. The reconstruction or repair, when completed, shall, to the extent legally possible, restore the Club Facilities substantially to the condition in which they existed before the damage or destruction took place. After all reconstruction or repairs have been made, if there are any insurance proceeds left over, then and in that event, the excess shall be the sole property of Club Owner. If Club Owner elects not to reconstruct the Club Facilities, Club Owner shall terminate this Club Plan and the provisions of the Declaration relating to the Club by document recorded in the Public Records.

17. Risk of Loss. Club Owner shall not be liable for, and the Members assume all risks that may occur by reason of, any condition or occurrence, including, but not limited to, damage to the Club on account of casualty, water or the bursting or leaking of any pipes or waste water about the Club, or from any act of negligence of any other person, or fire, or hurricane, or other act of God, or from any cause whatsoever, occurring after the date of the recording of this Club Plan. Neither Association nor any Owner shall be entitled to cancel this Club Plan or any abatement in Club Dues on account of any such occurrence. By way of example, if the Club is destroyed in whole or part by a casualty, Owners shall remain liable to pay all Club Dues notwithstanding that the Club is not available for use.

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

18.1 Complete Taking. If the whole or any material part of the Club is taken under the power of eminent domain, Club Owner may terminate this Club Plan and the provisions of the

Declaration relating to the Club by written notice given to Association, which notice shall be recorded in the Public Records. Should such notice be given, this Club Plan and the provisions in the Declaration relating to the Club shall terminate. All damages awarded in relation to the taking shall be the sole property of Club Owner.

18.2 Partial Taking. Should a portion of the Club be taken in an eminent domain proceeding which requires the partial demolition of any of the improvements located on the Club so that Club Owner determines the taking is not a complete taking, then, in such event, Club Owner shall have the option, to the extent legally possible, to utilize a portion of the proceeds of such taking for the restoration, repair, or remodeling of the remaining improvements to the Club, or to terminate this Club Plan as provided in Section 18.1 hereof. All damages awarded in relation to the taking shall be the sole property of Club Owner, and Club Owner shall determine what portion of such damages, if any, shall be applied to restoration, repair, or remodeling.

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

20. Estoppel. Association shall, from time to time, upon not less than ten (10) days' prior written notice from Club Owner, execute, acknowledge and deliver a written statement: (a) certifying that this Club Plan is unmodified and in full force and effect (or, if modified, stating the nature of such modification, listing the instruments of modification, and certifying that this Club Plan, as so modified, is in full force and effect) and the date to which the Club Dues are paid; and (b) acknowledging that there are not, to Association's knowledge, any uncured defaults by Association, Club Owner or Members with respect to this Club Plan. Any such statement may be conclusively relied upon by any prospective purchaser of Club Owner's interest or mortgagee of Club Owner's interest or assignee of any mortgage upon Club Owner's interest in the Club. Association's failure to deliver such statement within such time shall be conclusive evidence: (1) that this Club Plan is in full force and effect, without modification except as may be represented, in good faith, by Club Owner; and (2) that there are no uncured defaults; and (3) that the Club Dues have been paid as stated by Club Owner.

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

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

23. Resolution of Disputes. **ASSOCIATION AND, BY ACCEPTANCE OF A DEED, EACH OWNER AND BUILDER, AGREE THAT THIS CLUB PLAN IS A VERY COMPLEX DOCUMENT. ACCORDINGLY, ASSOCIATION AND EACH OWNER AND BUILDER AGREE THAT JUSTICE WILL BEST BE SERVED IF ALL DISPUTES**

RESPECTING THIS CLUB PLAN ARE HEARD BY A JUDGE, AND NOT A JURY. ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, OR CROSS CLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), INCLUDING, BUT NOT LIMITED TO, PERSONAL INJURIES, PAIN, SUFFERING AND WRONGFUL DEATH, BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS CLUB PLAN, INCLUDING ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY, SHALL BE HEARD IN A COURT PROCEEDING BY A JUDGE, AND NOT A JURY. CLUB OWNER HEREBY SUGGESTS THAT EACH OWNER UNDERSTAND THE LEGAL CONSEQUENCES OF ACCEPTING A DEED TO A HOME.

24. Venue. EACH OWNER ACKNOWLEDGES REGARDLESS OF WHERE SUCH OWNER (i) EXECUTED A PURCHASE AND SALE AGREEMENT, (ii) RESIDES, (iii) OBTAINS FINANCING OR (iv) CLOSED ON A HOME, THIS CLUB PLAN LEGALLY AND FACTUALLY WAS EXECUTED IN MIAMI-DADE COUNTY, FLORIDA. CLUB OWNER HAS AN OFFICE IN MIAMI-DADE COUNTY, FLORIDA AND EACH HOME IS LOCATED IN MIAMI-DADE COUNTY, FLORIDA. ACCORDINGLY, AN IRREFUTABLE PRESUMPTION EXISTS THAT THE ONLY APPROPRIATE VENUE FOR THE RESOLUTION OF ANY DISPUTE LIES IN MIAMI-DADE COUNTY, FLORIDA. IN ADDITION TO THE FOREGOING, EACH OWNER, BUILDER AND CLUB OWNER AGREE THAT THE VENUE FOR RESOLUTION OF ANY DISPUTE LIES IN MIAMI-DADE COUNTY, FLORIDA.

25. Release. BEFORE ACCEPTING A DEED TO A HOME, EACH OWNER HAS AN OBLIGATION TO RETAIN AN ATTORNEY IN ORDER TO CONFIRM THE VALIDITY OF THIS CLUB PLAN. BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES THAT HE HAS SOUGHT (OR HAD THE OPTION TO SEEK) AND RECEIVED (OR DECLINED TO OBTAIN) SUCH AN OPINION OR HAS MADE AN AFFIRMATIVE DECISION NOT TO SEEK SUCH AN OPINION. CLUB OWNER IS RELYING ON EACH OWNER CONFIRMING IN ADVANCE OF ACQUIRING A HOME THAT THIS CLUB PLAN IS VALID, FAIR AND ENFORCEABLE. SUCH RELIANCE IS DETRIMENTAL TO CLUB OWNER. ACCORDINGLY, AN ESTOPPEL AND WAIVER EXISTS PROHIBITING EACH OWNER FROM TAKING THE POSITION THAT ANY PROVISION OF THIS CLUB PLAN IS INVALID IN ANY RESPECT. AS A FURTHER MATERIAL INDUCEMENT FOR CLUB OWNER TO SUBJECT THE CLUB PROPERTY TO THIS CLUB PLAN, EACH OWNER DOES HEREBY RELEASE, WAIVE, DISCHARGE, COVENANT NOT TO SUE, ACQUIT, SATISFY AND FOREVER DISCHARGE CLUB OWNER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS AND ITS AFFILIATES AND ASSIGNS FROM ANY AND ALL LIABILITY, CLAIMS, COUNTERCLAIMS, DEFENSES, ACTIONS, CAUSES OF ACTION, SUITS, CONTROVERSIES, AGREEMENTS, PROMISES AND DEMANDS WHATSOEVER IN LAW OR IN EQUITY WHICH AN OWNER MAY HAVE IN THE FUTURE, OR WHICH ANY PERSONAL REPRESENTATIVE, SUCCESSOR, HEIR OR ASSIGN OF OWNER HEREAFTER CAN, SHALL OR MAY HAVE AGAINST CLUB OWNER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS, AND ITS AFFILIATES AND ASSIGNS, FOR, UPON OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER RESPECTING THIS CLUB PLAN, OR THE EXHIBITS HERETO. THIS RELEASE AND WAIVER IS INTENDED TO BE AS BROAD AND INCLUSIVE AS PERMITTED BY THE LAWS OF THE STATE OF FLORIDA.

26. Amendment. Notwithstanding any other provision herein to the contrary, no amendment to this Club Plan shall affect the rights of Developer or Club Owner unless such amendment receives the prior written consent of Developer or Club Owner, as applicable, which may be withheld for any reason whatsoever. No amendment shall alter the provisions of this Club Plan benefiting Lenders without the prior approval of the Lender(s) enjoying the benefit of such provisions. No amendment shall be effective until it is recorded in the Public Records. Club Owner shall have the right to amend this Club Plan as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Club Owner's right to amend under this provision is to be construed as broadly as possible. By way of example, Club Owner may terminate this







**CONSENT TO  
CLUB SILVER PALMS CLUB PLAN**

Wachovia Bank, a national banking association, as Agent ("Wachovia"), the holder of that certain Mortgage from Silver Palm Holdings of Homestead, LLC, dated September 20, 2004 and recorded in Official Records Book 22672, Page 1030, Public Records of Miami-Dade County, Florida, which encumbers the Land described in **Exhibit B**, does hereby Consent to the Club Silver Palms Club Plan, to which this consent is attached, and acknowledges that the terms thereof are and shall be binding upon Wachovia and its successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this Consent on this 7<sup>th</sup> day of August, 2006.

**WITNESSES:**

**WACHOVIA BANK,**  
a national banking association

*[Signature]*  
Print Name: Oksana Smirnova  
*[Signature]*  
Print Name: D. BRUCE HARTMAN

By: *[Signature]*  
Name: Philip Lyew  
Title: VP  
Date: 8/7/2006

STATE OF FLORIDA )  
COUNTY OF Broward )

[SEAL]  
SS.:

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of August, 2006 by Philip Lyew as VP of Wachovia Bank, a national banking association, who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the association.

My commission expires: December 1, 2008  
*[Signature]*  
NOTARY PUBLIC, State of Florida  
Print name: \_\_\_\_\_





**EXHIBIT A**  
**LEGAL DESCRIPTION**  
**OF THE INITIAL CLUB PROPERTY**

TRACT "E" OF SILVER PALMS EAST SECTION TWO, according to the plat thereof, as recorded in Plat Book 164, at Page 187, of the Public Records of Miami-Dade County, Florida.

**EXHIBIT B**

**LEGAL DESCRIPTION OF SILVER PALMS**

ALL OF SILVER PALMS EAST SECTION ONE, according to the plat thereof, as recorded in Plat Book 164, at Page 51, of Public Records of Miami-Dade County, Florida.

ALL OF SILVER PALMS EAST SECTION TWO, according to the plat thereof, as recorded in Plat Book 164, at Page 187, of the Public Records of Miami-Dade County, Florida.

ALL OF SILVER PALMS EAST SECTION THREE, according to the plat thereof, as recorded in Plat Book 165, at Page 27, of the Public Records of Miami-Dade County, Florida.

LESS AND EXCEPT THE FOLLOWING PROPERTY:

TRACT "O" AND BAILES ROAD OF SILVER PALMS EAST SECTION TWO, according to the plat thereof, as recorded in Plat Book 164, at Page 187, of the Public Records of Miami-Dade County, Florida.



**EXHIBIT D**

**CLUB MEMBERSHIP FEE SCHEDULE**

Year	Monthly Payment
2005	\$17.00
2006	\$17.00
2007	\$18.00
2008	\$19.00
2009	\$20.00
2010	\$21.00
2011	\$22.00
2012	\$23.00
2013	\$24.00
2014	\$25.00
2015	\$26.00
2016	\$27.00
2017	\$28.00
2018	\$29.00
2019	\$30.00
2020	\$31.00
2021	\$32.00
2022	\$33.00
2023	\$34.00
2024	\$35.00
2025	\$36.00
2026	\$37.00
2027	\$38.00
2028	\$39.00
2029	\$40.00
2030	\$41.00
2031	\$42.00
2032	\$43.00
2033	\$44.00
2034	\$45.00
2035	\$46.00

From 2036 and thereafter, Club Membership Fees shall be \$47.00 per month and will not increase.

**EXHIBIT E**  
**OPTION NOTICE**

**IRREVOCABLE OPTION NOTICE**

The Board of Directors of Silver Palms by Lennar Community Association, Inc. (the "**Board**") hereby provides Club Owner (as defined in that certain Club Silver Palms Club Plan recorded in Official Records Book \_\_\_\_\_ at Page \_\_\_\_\_ of the Public Records of \_\_\_\_\_ County, Florida) with notice of its intent to purchase the Club (as defined in the Club Silver Palms Club Plan) pursuant to the terms of the Club Silver Palms Club Plan. Attached hereto as **Schedule 1** is a resolution executed by the majority of the Board approving this Irrevocable Option Notice.

The undersigned Board has executed this Irrevocable Option Notice on this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Director

\_\_\_\_\_  
Name: \_\_\_\_\_  
Director

\_\_\_\_\_  
Name: \_\_\_\_\_  
Director

**Schedule 1**

**SILVER PALMS BY LENNAR COMMUNITY ASSOCIATION, INC.  
(THE "ASSOCIATION")**

**ACTION BY THE BOARD OF DIRECTORS OF THE ASSOCIATION  
WITHOUT A MEETING**

The undersigned, constituting the majority of the Board of Directors of the Association do hereby consent to and approve the following actions:

WHEREAS, the Board of Directors hereby acknowledges and agrees that it is in the best interest of the Association to purchase the Club (as defined in that certain Club Silver Palms Club Plan recorded in Official Records Book \_\_\_\_\_ at Page \_\_\_\_\_ of the Public Records of \_\_\_\_\_ County, Florida); and

WHEREAS, the Board of Directors hereby agrees to provide Club Owner (as defined in the Club Plan) with the Option Notice (as defined in the Club Silver Palms Club Plan) in order to evidence its intent to purchase the Club (as defined in the Club Silver Palms Club Plan) pursuant to the terms of the Club Plan;

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the purchase of the Club and the giving of the Option Notice to Club Owner.

Effective: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Director

\_\_\_\_\_  
Name: \_\_\_\_\_  
Director

\_\_\_\_\_  
Name: \_\_\_\_\_  
Director

**EXHIBIT F**  
**AGREEMENT FOR SALE AND PURCHASE**

**AGREEMENT FOR SALE AND PURCHASE OF PROPERTY**  
**CLUB**

DM2439708.5

\_\_\_\_ Club  
8/4/06

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AGREEMENT FOR SALE AND PURCHASE OF PROPERTY  
CLUB

This Agreement for Sale and Purchase of Property \_\_\_\_\_ Club (this "Agreement") is among \_\_\_\_\_, a Lennar \_\_\_\_\_ ("Seller"), and \_\_\_\_\_ ASSOCIATION, INC., a Florida not-for-profit corporation ("Buyer").

**RECITALS:**

A. Seller is the owner of the fee simple estate in the Land (hereinafter defined) which is comprised of the Club.

B. On \_\_\_\_\_, Seller entered into the Club Plan (hereinafter defined) which governs the use and operation of the Club.

C. Seller has agreed to sell to Buyer and Buyer has agreed to purchase from Seller the Club on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of each party to the other contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby mutually covenant and agree as follows:

1. Recitals. The foregoing Recitals are true and correct and are incorporated into and form a part of this Agreement.

2. Defined Terms. As used herein, the following terms shall have the following meanings:

"Acceptable Encumbrances" shall have the meaning set forth in Section 5.1 hereof.

"Agreement" shall have the meaning set forth in the initial sentence hereof.

"Business Day" means any day on which business is conducted by national banking institutions in the County.

"Closing Date" shall have the meaning as defined in Section 6.1 hereof.

"Closing" shall mean the execution and delivery of the Special Warranty Deed and the other instruments to be executed by Seller conveying the Property to Buyer and the payment by Buyer to Seller of the Purchase Price and execution and delivery by Buyer of all documents to be executed by Buyer at Closing.

"Club Charges" shall have the meaning set forth in the Club Plan.

"Club Plan" shall mean the \_\_\_\_\_ Club Plan recorded in Official Records Book \_\_\_\_\_, Page \_\_\_\_\_ of the County, as amended.

"Clubhouse" shall mean that certain Clubhouse and related improvements and fixtures including, without limitation, offices, a health/fitness facility, swimming pool and related facilities, presently located on the Land.

"Clubhouse Land" means that certain real property described on Exhibit A attached hereto and made a part hereof.

"County" shall mean \_\_\_\_\_ County, Florida, including all of its agencies, divisions, departments, attorneys or agents employed to act on its behalf.

"Due Diligence Reports" shall mean all reports, documents, studies, analyses, and other written information obtained by Buyer with respect to the Property including, without limitation, results of physical inspections, surveys, site plans, feasibility studies, architectural plans, specifications and drawings, title reports, permits, approvals and authorizations (whether obtained from governmental authorities or third parties); and all other work product generated by or for Buyer (other than attorney work product) in connection with the Property, if any.

**"Effective Date"** shall mean 5:00 p.m. Eastern time on the date upon which both Buyer and Seller shall have executed this Agreement.

**"Feasibility Date"** shall mean 5:00 p.m. Eastern time on the tenth (10) day following the Effective Date.

**"Foreign Substance"** shall mean any substance which is commonly referred to as foreign or hazardous under local, state or federal law.

**"Improvements"** shall mean all of Seller's right, title and interest in and to any and all buildings, structures or other improvements located on the Land, including, but not limited to the Clubhouse and any other improvements located on the Land. "Improvements" does not include any improvements located on the Land which are not owned by Seller (e.g., equipment and facilities owned by utility companies).

**"Institutional Loan"** shall have the meaning set forth in Section 4.2.1 hereof.

**"Inventory"** shall mean the furniture, fixtures and equipment listed on **Exhibit G** attached hereto and made a part hereof.

**"Land"** shall mean all of Seller's right, title and interest in and to the Clubhouse Land.

**"Lender"** shall have the meaning set forth in Section 4.2.1 hereof.

**"Pending Litigation"** shall mean those litigation matters, including collection matters, if any, listed on **Exhibit H** attached hereto and made a part hereof.

**"Permits"** shall mean all permits, licenses, and other governmental approvals and authorizations affecting the Improvements.

**"Personal Property"** shall mean all Seller's right, title and interest in and to: (i) all Inventory and fixtures (if any not listed as part of the Inventory) owned by Seller and located on, or attached to, the Land; (ii) all supplies owned by Seller and used in the maintenance or operation of the Clubhouse located on the Land; (iii) those Permits which are assignable or transferable to Buyer at Closing; (iv) all assignable or transferable service, maintenance, and equipment contracts, and all personal property leases and all other contracts, if any exist, relating to the ownership, maintenance, occupancy, use or operation of the Property and (v) the right to use the name \_\_\_\_\_ as permitted by Section 7.3 hereof. Buyer acknowledges that there are no transferable warranties from third parties with respect to the Personal Property.

**"Property"** shall mean, collectively, the Improvements, the Land and the Personal Property.

**"Prorations Date"** shall mean 11:59 p.m. on the date prior to the Closing Date.

**"Special Warranty Deed"** shall mean the Special Warranty Deed conveying fee title to the Land to Buyer, duly executed by Seller and acknowledged and in proper form for recordation.

**"Termination Notice"** shall have the meaning set forth in Section 3.2 of this Agreement.

**"Title Commitment"** shall mean the commitment for issuance of an owner's title insurance policy to be issued on the Title Company and delivered to Buyer pursuant to Section 5.1 hereof.

**"Title Company"** shall mean North American Title as agent for \_\_\_\_\_, which issues the Title Commitment and the owner's title insurance policy to Buyer and mortgagee title insurance policy, if any, to Lender in accordance with the terms hereof.

"\_\_\_\_\_ " shall mean the planned community within which the Land is located.

Other capitalized terms contained in this Agreement not defined herein shall have the meanings set forth in the Club Plan.

3. Inspection.

3.1. Information Regarding Property. Within five (5) days after the Effective Date, Seller shall make available to Buyer at Seller's office for inspection and copying during regular business hours any surveys, financial statements plans, certificates of occupancy, environmental reports, and information about the payment of Club Charges with respect to the Land, which Seller shall make a good faith attempt to locate in its files and which Seller has not already provided to Buyer. All of such information is provided simply as an accommodation to Buyer, and Seller makes no warranties or representations as to their accuracy or completeness. Seller shall incur no liability to Buyer for any information contained in any materials furnished to Buyer or for Seller's failure to furnish any materials in Seller's possession to Buyer. Without limiting the foregoing, Seller shall have no obligation to obtain plans, permits or other information respecting the Property from governmental agencies or utilities.

3.2. Buyer's Inspection Rights. Buyer's obligations hereunder are expressly subject to Buyer's approval of the Property in all respects. Buyer shall have until the Feasibility Date in which to determine whether the Property is acceptable to Buyer in all respects. In the event that Buyer elects not to proceed with the purchase contemplated by this Agreement, Buyer shall deliver to Seller, at no cost to Seller, copies of all Due Diligence Reports within thirty (30) days of Buyer's election not to proceed. If Buyer determines that the Property is not acceptable in its sole discretion and elects not to proceed with the transaction contemplated hereby, Buyer shall on or before the Feasibility Date give written notice of termination to Seller (the "Termination Notice") and upon such delivery this Agreement shall be terminated. Upon such termination and delivery to Seller of all Due Diligence Reports, neither party shall have any further rights nor obligations hereunder, except, however, that Buyer shall remain obligated with respect to the indemnities and obligations contained in Sections 3.4 and 3.5 of this Agreement. Unless Buyer delivers the Termination Notice in a timely manner, this Agreement shall remain in full force and effect, except that the inspection rights contingency in this Section 3.2 shall be deemed satisfied.

3.3. Access. Until the Feasibility Date, and thereafter if this Agreement has not been terminated pursuant to Section 3.2, Buyer and Buyer's agents and contractors shall be entitled to enter upon the Property at all reasonable times established by Seller, but only for the purpose of conducting tests and making site inspections and investigations. In doing so, Buyer agrees not to cause any damage or make any physical changes to the Property or interfere with the rights of any parties who may have a legal right to use or occupy the Property (including, without limitation, those using the Clubhouse, employees, licensees, and service providers). All persons retained by Buyer to conduct such inspections, investigations and tests shall be licensed and maintain liability and property damage insurance in amounts as reasonably requested by Seller. Under no circumstances shall the right of entry granted herein be interpreted as delivery of possession of the Property prior to Closing.

3.4. Indemnification. Buyer shall protect, indemnify, save and hold Seller harmless against any and all claims, demands, fines, suits, actions, proceedings, orders, decrees, judgments, damage or liability (including attorneys' fees, paraprofessional fees and court costs, pre-trial and at all levels of proceedings, including appeals) of any kind or nature, by or in favor of anyone whomsoever, resulting from, arising from, or occasioned in whole or in part by an act or omission by Buyer, its agents, contractors, employees, representatives or invitees in, upon, or about the Property, or from Buyer's inspection, testing, examination and inquiry of or on the Property. The provisions of this Section shall survive the Closing or termination of this Agreement.

3.5. Buyer's Obligations with Respect to Inspections. Buyer shall restore the Property to its original condition promptly after Buyer's independent factual, physical and legal examinations and inquiries of the Property. Buyer shall promptly pay for all inspections and Due Diligence Reports upon the rendering of statements therefor. Buyer shall not suffer or permit the filing of any liens against the Property and if any such liens are filed, Buyer shall promptly cause them to be released or otherwise eliminated from being a lien upon the Property. In the event the transaction contemplated by this Agreement is not closed for any reason whatsoever, Buyer shall remain obligated with respect to the indemnities and other obligations contained in Section 3.4 and this Section 3.5. The provisions of this Section shall survive the Closing or termination of this Agreement.

3.6. Condition of the Property. If this Agreement is not terminated pursuant to Section 3.2 above, Buyer shall be deemed to have acknowledged that Seller has provided Buyer sufficient opportunity to make such independent factual, physical and legal examinations and inquiries as Buyer deems necessary and desirable with respect to the Property and the transaction contemplated by this Agreement and that Buyer has approved the Property and this transaction in all respects. Buyer is expressly purchasing the Property in its existing condition "AS IS, WHERE IS" with respect to all facts, circumstances and conditions. Seller has no obligation to inspect for, repair or correct any such facts, circumstances, and conditions or to compensate Buyer regarding the Property. From and after Closing, Buyer assumes the full risk with respect to the Property including, without limitation, any liability resulting from the condition of the Property or resulting from any claims by third parties relating to the past, present, or future ownership, use or operation of the Property, with the exception of personal injury claims arising prior to Closing, and by execution hereof Buyer specifically agrees to indemnify and hold Seller harmless from all liability, loss, cost (including reasonable attorneys', paralegals' and legal assistants' fees and court costs at all trial and appellate levels) arising from the condition of the Property, including those arising from the presence of Foreign Substances on or at the Property. SELLER HEREBY DISCLAIMS ALL WARRANTIES OF ANY KIND OR NATURE WHATSOEVER PERTAINING TO THE CONDITION OF THE PROPERTY (INCLUDING WARRANTIES OF MERCHANTABILITY OR HABITABILITY AND FITNESS FOR PARTICULAR PURPOSES), WHETHER EXPRESSED OR IMPLIED, including warranties with respect to the Property, zoning, land value, availability of access or utilities, presence of Foreign Substances, rights of ingress or egress, governmental approvals, rights of third parties relating to the condition of the Property, future restrictions upon use or sale, or the soil or water conditions of the Land. Buyer further acknowledges that Buyer is not relying upon any representation of any kind or nature made by Seller, or any of its employees or agents with respect to the Property and that, in fact, no such representations were made, except as expressly set forth in this Agreement. Buyer hereby specifically releases Seller from any and all claims, losses, liabilities, fines, charges, damages, injuries, penalties, response costs, and expenses of any and every kind, whatsoever (whether known or unknown) relating to the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release of any Foreign Substance on the Property, if any, including without limitation, any residual contamination, in, on, under or about the Property or affecting natural resources, whether prior to or following Closing. Each covenant, agreement, representation, and warranty of Buyer contained in this Section 3.6 of this Agreement shall survive the Closing or termination of this Agreement.

3.7. Pending Litigation. Seller has no knowledge of any pending or threatened litigation or claims by third parties or governmental entities respecting the Property except for the Pending Litigation.

4. Purchase Price and Terms of Payment; Closing Adjustments.

4.1. Purchase Price. The purchase price ("**Purchase Price**") of the Property shall be \_\_\_\_\_ AND \_\_\_\_\_/100 DOLLARS (\$ \_\_\_\_\_) subject only to prorations and adjustments herein provided (see Club Plan for Purchase Price).

4.2. Payment of Purchase Price. The Purchase Price shall be paid, all cash at closing, as follows:

4.2.1. Institutional Loan. Buyer's obligations hereunder are contingent upon its obtaining, by the Feasibility Date a commitment from an institutional lender ("**Lender**") for an acquisition loan secured by a first mortgage and security agreement and/or secured by an assignment and pledge of the Club Charges payable pursuant to the Club Plan (hereinafter, the "**Institutional Loan**") in an amount equal to the Purchase Price with terms acceptable to Buyer and subject to conditions to be satisfied by Buyer or with respect to the Property as are customary in loans of similar type and size in Florida. If Buyer does not give Seller written notice, on or before the Feasibility Date, that Lender has issued a loan commitment containing the terms and conditions set forth in this subsection, and which is capable of being closed as between Lender and Buyer, not later than the Closing Date, then either party may terminate this Agreement by written notice to the other and the terms of Section 3.2 regarding termination shall apply.

4.3. Closing Adjustments and Prorations. Except as otherwise provided in this Section, all adjustments and prorations to the Purchase Price payable at Closing shall be

computed as of the Prorations Date. Buyer shall be responsible for all items after the Prorations Date. All prorations shall be based on thirty (30) day months. Such adjustments and prorations shall include the following:

4.3.1. Taxes and Assessments; Pending and Certified Liens. All *ad valorem* real estate taxes, special taxing district assessments and personal property taxes and all assessments associated with the Property for the year of Closing shall be prorated as of the Prorations Date upon the amount of such taxes for the year of Closing if the amount of such taxes is known at the time of Closing; if such amount cannot be then ascertained, proration shall be based upon the amount of the taxes, with the maximum discount allowed by law, for the preceding year. If any tax prorations shall be based upon the amount of taxes for the year preceding the year of Closing; such taxes, at the request of any party hereto, shall be reprinted and adjusted between the parties, on the basis of the November payment, forthwith after the tax bills for the year of Closing are received. County or other public liens, if any, certified or for which the work has been substantially completed on the date of this Agreement shall be paid by Seller and any other such liens shall be assumed by Buyer; provided, however, that if any assessments are payable in installments, the installment due for the year in which Closing occurs shall be prorated between Seller and Buyer, and Buyer shall assume responsibility for payment of all installments for subsequent years.

4.3.2. Club Charges. All Club Charges and any other amounts due to Seller as dues arising out of the Club Plan shall be prorated as of the Prorations Date. Buyer shall receive a credit at Closing against the Purchase Price for any Club Charges paid to Seller as of the Prorations Date but applicable to any period after the Prorations Date. By way of example, pre-paid Club Charges received by Seller prior to Closing for periods after the Closing shall be credited to Buyer. Upon collection by Buyer of any Club Charges relating to the period prior to the Prorations Date, Buyer shall promptly deliver such amounts to Seller, and it shall be conclusively deemed that any amounts received after Closing by Buyer from any Owner (as defined in the Club Plan) whose account was not current on the Closing Date shall be applied first to satisfy amounts attributable to Seller for periods prior to the Proration Date and then to amounts due to Buyer. By way of example, if the Closing occurs mid-month, and Buyer receives a payment of Club Charges for such month after Closing, Buyer shall prorate the payment and remit to Seller the portion of the payment due to Seller under this Agreement. Buyer shall not change collection counsel with respect to any collection matters pending on the Prorations Date. The current pending collections matters are listed on Exhibit H attached hereto and made a part hereof. Buyer acknowledges that Seller has prepaid certain legal fees and Seller shall be entitled to reimbursement of such amounts advanced to the extent they are collected by legal counsel from and after Closing.

4.3.3. Payables. All of Seller's accounts payable incurred in the ordinary course of business in connection with the ownership and operation of the Property including amounts payable to vendors and other trade payables as of the Prorations Date, are herein called the "Payables". Seller agrees that between the Effective Date and the Closing Date all Payables shall be paid and discharged in the ordinary course of business. Any Payables that would have been paid by Seller in ordinary course of business not paid on or before the Prorations Date and not discovered until after the Closing Date shall be paid by Seller at such time as they are discovered, provided such are discovered within one hundred and eighty (180) days of the Closing Date.

4.3.4. Revenues. All revenue generated from periods prior to the Closing Date shall be attributable to Seller. If payment for any such items received by Buyer after Closing, Buyer shall promptly remit such amounts to Seller (it being understood that any amounts owed by third parties shall be applied first towards amounts owed for periods prior to the Closing Date and last towards amounts owned for periods subsequent to the Closing Date).

4.3.5. Cash. There are no separate operating accounts and no reserves to be transferred respecting the Club.

4.3.6. Fuel and Utilities. Fuel, water charges and other utilities upon the Property, if any, shall be adjusted and apportioned as of the Prorations Date. Deposits, if any, made by Seller, or any manager of the Property on behalf of Seller, or any predecessor in title as security under any utility or public service contract shall be credited to Seller to the extent that the same remains on deposit for the benefit, and in the name of, Buyer. If such deposits cannot

remain on deposit for the benefit of Buyer, Buyer shall place new deposits with the utility company(ies) and the existing deposits shall be released to Seller prior to Closing. Readings will be secured for all utilities as close as practicable to the Prorations Date, and the remaining meter charge, if any, for the intervening time shall be apportioned on the basis of such last reading.

4.3.7. Contracts; Leases. All prepayments made under any continuing contracts or leases affecting the Property, if any, including, but not limited to, garbage removal and maintenance agreements shall be adjusted and apportioned as of the Prorations Date and Seller shall receive a credit for any deposits.

4.3.8. Other Prorations. In addition to the previously stated adjustments and prorations at Closing the parties shall also make such adjustments and prorations with respect to operating revenues and expenses to the Purchase Price as are customary and usual in transactions similar to the transaction contemplated by this Agreement.

4.3.9. Reprorations and Post-Closing Adjustments. If any adjustments or prorations cannot be apportioned or adjusted at Closing by reason of the fact that final or liquidated amounts have not been ascertained or are not available as of such date, the parties agree to apportion or adjust such items on the basis of their best estimates of the amounts at Closing and to re-prorate any and all of such amounts promptly when the final or liquidated amounts are ascertained. In the event of any omissions or mathematical error on the closing statement, or if the prorations, apportionments and computations shall prove to be incorrect for any reason, the same shall be promptly adjusted when determined and the appropriate party paid any monies owed. This provision shall survive the Closing for a period of twelve (12) months as to *ad valorem* taxes and six (6) months as to all other adjustments and no claims for adjustment may be made thereafter.

4.3.10. Intent of Prorations Provisions. The intent of the prorations and adjustments provided for herein is that Seller shall bear all expenses of operation of the Property and shall receive all income therefrom accruing through the Prorations Date, and Buyer shall bear all such expenses and receive all such income accruing thereafter.

4.4. Costs and Expenses. All Closing costs and expenses including, but not limited to, the cost of recording the Special Warranty Deed, documentary stamp taxes and surtax on the Special Warranty Deed, and the title insurance premium for the owner's title insurance policy to be provided by Title Agent and issued to Buyer after Closing, shall be paid by Buyer. Buyer shall also pay for the cost of any survey obtained by Buyer. Attorneys' fees, consulting fees, and other due diligence expenses shall be borne by the party incurring such expense. By way of example, Seller shall pay its own legal fees and costs and these shall not be charged to home owners in the event the transaction contemplated by this Agreement does not close.

## 5. Title; Survey.

5.1. Evidence of and Encumbrances Upon Title. Seller's counsel has delivered or will deliver a form Title Commitment prepared by Seller's counsel and approved by Title Company for issuance by the Title Agent. The Title Commitment shall be the basis upon which Buyer shall review the status of title to the Property. Buyer shall review the Title Commitment to determine whether title is free and clear of liens, encumbrances, and objections other than following, herein referred to as the "**Acceptable Encumbrances**":

5.1.1. The standard printed exceptions in the Title Commitment, provided, however, that to the extent allowed by the Title Company and Florida law the standard printed exceptions for parties in possession and construction liens may be deleted from the owner's title insurance policy based upon Seller's Affidavit and the standard printed exception for matters that would be reflected on a current survey and for easements not shown by the public records may be deleted if Buyer obtains a current survey, as contemplated by Section 5.3 hereof, which satisfies the requirements of the Title Company;

5.1.2. Zoning and other regulatory laws and ordinances affecting the Property;

5.1.3. Easements for public utilities and drainage;

5.1.4. Any matters reflected on the plats of the Land;

5.1.5. Any other matters of record that do not render title unmarketable;

5.1.6. All matters in the Title Commitment not objected to by Buyer within the Title Review Period (as hereinafter defined);

5.1.7. Any matters which are approved in writing by Buyer (including those contemplated by this Agreement); and

5.1.8. Any matters created by or against Buyer.

5.2. Review of Evidence of Title.

5.2.1. Buyer shall have seven (7) days from the later of (i) the Effective Date or (ii) the date which Seller's counsel delivers to Buyer the Title Commitment within which to cause the Title Commitment to be examined and to notify Seller in writing of any liens, encumbrances, or exceptions other than the Acceptable Encumbrances (the "Title Review Period"). If no liens, encumbrances, or exceptions other than the Acceptable Encumbrances are shown, or if Buyer shall fail to notify Seller in writing of any liens, encumbrances or exceptions other than the Acceptable Encumbrances prior to the end of the Title Review Period, then except as provided in Section 5.4, Buyer shall be deemed to have waived any right to object to the status of title and all matters reflected on the Title Commitment shall be deemed Acceptable Encumbrances. Subject to Section 5.4, Buyer shall thereupon, with respect to the status of title to the Land and Improvements, be obligated to close the purchase at the time and in the manner herein specified.

5.2.2. If prior to the end of the Title Review Period, Buyer gives written notice of any liens, encumbrances or exceptions, other than the Acceptable Encumbrances, then Seller shall have the right, but not the obligation, to attempt to remove, discharge or correct such liens, encumbrances or exceptions and shall have a period of sixty (60) days after receipt of notice thereof ("Cure Period") in which to do so (and if necessary the Closing Date shall be extended). Seller shall not in any event be obligated to pay any sums of money or to litigate any matter in order to remove, discharge or correct any lien, encumbrance or exceptions, except, however, that Seller shall be required to satisfy, release, or discharge any mortgages in a liquidated amount voluntarily placed on the Property by Seller or by Seller's predecessors in title. If Seller shall be unable or otherwise refuses to remove or discharge such other liens, encumbrances or exception within such period, then Buyer may, at its option, either accept title in its then existing condition without reduction of the Purchase Price or terminate this Agreement by giving written notice of termination within three (3) Business Days after the first to occur of (a) receipt of Seller's written notice that Seller is unable to remove the lien, encumbrance, or exception or (b) the expiration of the Cure Period. If Buyer shall fail to give written notice of termination within the aforesaid three (3) Business Day period, Buyer shall irrevocably be deemed to have accepted title in its existing condition (and all outstanding title matters shall then constitute Acceptable Encumbrances). If Buyer shall elect to terminate this Agreement pursuant to this paragraph, this Agreement shall terminate, and thereafter neither Seller nor Buyer shall have any further rights or obligations hereunder except that Buyer shall remain obligated with respect to the provisions of Sections 3.4 and 3.5 hereof.

5.3. Survey. Prior to the Feasibility Date, Buyer may cause a survey of the Land to be prepared at Buyer's sole cost and expense. Any such survey shall conform to ALTA requirements and be certified to Buyer, Seller, the Title Company, and Title Company's agent. If any encroachments not acceptable to Buyer are shown, Buyer may give written notice of objection to Seller prior to the Feasibility Date, in which case any such encroachment shall be treated in the same manner as a title defect pursuant to Section 5.2.2 above; provided, however, that Buyer shall have no right to object to (a) any matters which constitute Acceptable Encumbrances; or (b) any public utility facilities or equipment located on the Land regardless of whether or not an easement for such facilities or equipment has been granted or recorded in the Public Records (and Buyer acknowledges that it is likely that such facilities and equipment do in fact exist on the Land); or (c) any matters reflected on any existing survey delivered by Seller to Buyer on or before the tenth (10<sup>th</sup>) day after the Effective Date. If, however, Buyer fails to obtain a survey, or if Buyer obtains a survey, but fails to give written notice of objection prior to the Feasibility Date, all encroachments and other matters of survey shall be deemed approved by Buyer and shall constitute Acceptable Encumbrances.

5.4. Title Update. Seller shall cause the Title Company to update the Title Commitment, to a date not earlier than seven (7) days prior to the Closing Date. If the updated Title Commitment contains exceptions which arose subsequent to the effective date of the Title Commitment and which do not constitute Acceptable Encumbrances, Buyer may file written objection thereto within three (3) Business Days after receipt thereof, but in any event prior to completion of the Closing. If Buyer timely and properly files written objection to any such other item, all of the provisions of the last portion of Section 5.2.2 shall then be applicable. If the updated Title Commitment contains no exceptions, other than those reflected on the Title Commitment delivered pursuant to Section 5.1 and other Acceptable Encumbrances or if Buyer fails to give written notice of objection to Seller as and when required, all matters reflected on the updated Title Commitment shall be deemed Acceptable Encumbrances, and this Agreement shall remain in full force and effect and Buyer shall be obligated to complete the transaction as required by this Agreement.

6. Closing.

6.1. Closing Date; Place. The Closing shall occur on or before \_\_\_\_\_ (“Closing Date”). Closing shall take place at 10:00 A.M. in the offices of Seller’s counsel.

6.2. Seller’s Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer the following instruments (in addition to any other instruments contemplated by this Agreement):

6.2.1. Special Warranty Deed with respect to the Land and Improvements, in the form of Exhibit B hereto;

6.2.2. Affidavit in the form of Exhibit C hereto;

6.2.3. Bill of Sale with respect to those items of Personal Property which are furniture, fixtures, and equipment in the form of Exhibit D, including all of the Inventory;

6.2.4. Assignment and Assumption Agreement in the form of Exhibit E hereto;

6.2.5. Buyer-Seller Closing Statement;

6.2.6. Evidence satisfactory to the Title Company and Title Agent in its reasonable discretion of Seller’s authority to execute the instruments delivered at the Closing and to consummate the Closing;

6.2.7. Any instruments required by Section 9 of this Agreement.

6.3. Buyer’s Deliveries. At Closing Buyer shall deliver or cause to be delivered to Seller the following instruments (in addition to any other instruments required by the terms of this Agreement):

6.3.1. Assignment and Assumption Agreement, in the form of Exhibit E hereto;

6.3.2. Buyer-Seller Closing Statement;

6.3.3. Certificate of Good Standing from the Secretary of State of Buyer’s organization;

6.3.4. Incumbency Certificate specifying the officers of Buyer authorized to act for and on behalf of Buyer with respect to the transaction contemplated hereby together with Secretary’s Certificate evidencing adoption of resolutions authorizing Buyer to consummate the purchase;

6.3.5. A general release, in the form of Exhibit F hereto, in favor of Seller; and

6.3.6. Any instruments required by Section 9 of this Agreement.

6.4. Possession. Possession of the Property shall be surrendered at the Closing.

7. Certain Special Provisions Which Shall Survive Closing. In addition to other provisions of this Agreement which by their terms survive the Closing of the purchase and sale, the following provisions shall also survive the Closing. Seller will include the provisions indicated in the Special Warranty Deed by which Seller conveys the Land to Buyer (in which case Buyer shall be required to execute the Special Warranty Deed to confirm Buyer's agreement to such provisions) or in a separate instrument to be executed by Buyer and Seller on or before Closing and recorded in the Public Records of the County.

7.1. Club Plan. Buyer recognizes that the Land is subject to the Club Plan and to the Rules and Regulations established pursuant thereto. Buyer agrees to comply with all of the terms and provisions thereof insofar as they relate to or affect the Land unless Buyer, as Club Owner, elects to terminate the Club Plan after Closing.

7.2. Employees. Seller will terminate the employment of all service personnel of Seller performing services at the Clubhouse ("Employees") effective as of the Closing Date other than those Employees that Seller intends to offer alternate employment at other locations. Seller will be responsible for payment of all accrued, unpaid wages, salaries, benefits, vacation and other income items due to the Employees as of the Closing Date and all taxes and other amounts due from Seller in respect thereof. Subsequent to the Feasibility Date, Buyer and Seller shall agree upon a method to advise Employees of the pending sale and to notify them that their continued employment shall be discretionary with Buyer (except Employees that remain employed by Seller shall not receive such notice); provided, however, Buyer may interview each Employee and consider the possibility of hiring such Employee from and after Closing Date.

7.3. Use of Name. Due to the integrated nature of \_\_\_\_\_ and the product within \_\_\_\_\_, Buyer may use the \_\_\_\_\_ name and logo with respect to the Clubhouse for general and typical Club purposes (e.g., aerobic classes), but not for commercial use not related to the Club without prior written consent of Seller, which may be granted or withheld in Seller's sole and absolute discretion, and, if given, may be subject to such terms and conditions as Seller shall deem appropriate. By way of example, if Buyer elects to allow catered events or concessions within the Club, the name and logo may be used as such activities are part of typical Club activities without Seller's consent. If Buyer wishes to open a real estate sales office for homes in the Club, the name and logo cannot be used without Seller's prior consent. Seller grants (but without warranty or representation) to Buyer the right to identify the Clubhouse by reference to its location "at \_\_\_\_\_" and for general and typical Club purposes.

7.4. Effect. All of the provisions of this Section 7 shall survive the Closing in accordance with their terms and shall constitute restrictions, covenants, conditions, easements, and obligations which run with title to all or any portion of the Land and which are servitudes upon the Land and shall be binding upon Buyer and Buyer's successors in title to the Land and inure to the benefit of and be enforceable by Seller and such of its assigns as to which Seller specifically assigns its rights hereunder. Such an assignment may be of all or only certain rights hereunder and may be made on an exclusive or non-exclusive basis, and in any event without the necessity of any joinder or consent of Buyer or any other party. Absent an express assignment as aforesaid, no person or entity shall be deemed a third party beneficiary or a successor assignee of Seller with respect to any of the provisions of this Section 7 or have any rights to enforce any of the provisions contained herein, nor shall Seller have any duty to any third party to do so.

7.5. Enforcement; Remedies. So long as Seller has a development interest in \_\_\_\_\_, which interest must be established by Seller, violation or attempted violation by Buyer of any provision contained in this Section 7 shall entitle Seller to exercise any and all remedies available in equity. In addition Seller shall have the right to proceed in equity to compel compliance of the violated or breached provision. In the event of any litigation arising from any violation or attempted violation by Buyer, the prevailing party shall be entitled to reimbursement from the losing party for all attorneys fees and costs incurred at the trial level and at all levels of appeal. Any failure by Seller to enforce any provision of this Section 7 in any one instance shall not be deemed a waiver by Seller to enforce the same or any other provision in the future.

8. Indemnification. Seller shall indemnify and save harmless Buyer against any and all claims, actions, damage or liability (including attorney's fees and the costs to prepare any new easements) resulting from Seller's use of the Property after the Closing pursuant to this

Agreement. Seller shall also indemnify and save harmless Buyer against any and all claims, actions, damage or liability resulting from any personal injury claim respecting the Property occurring before Closing. This Section shall survive Closing.

9. Warranties And Representations.

9.1. Buyer's Warranties and Representations. Buyer warrants and represents that: (a) Buyer has the full right, power, and authority to purchase the Property from Seller as provided in this Agreement and to carry out Buyer's obligations hereunder; (b) this Agreement has been duly executed and delivered by Buyer; (c) the execution of this agreement and the Closing to occur hereunder does not and will not violate any contract, covenant or other agreement to which Buyer may be a party or by which Buyer may be bound; and (d) Buyer is purchasing the Property for the continued operation of the Clubhouse.

9.2. Seller's Warranties and Representations. Seller warrants and represents that: (a) Seller has the full right, power, authority to sell the Property to Buyer as provided in this Agreement and to carry out Seller's obligations hereunder; (b) Seller is a corporation duly organized and in good standing under the laws of the State of Florida; (c) subject to Section 14.14 hereof, all requisite corporate action necessary to authorize Seller to enter into this Agreement and to carry out Seller's obligations has been obtained; and (d) this Agreement has been duly authorized, executed and delivered by Seller.

9.3. Survival. The provisions of this Section 9 shall survive the Closing.

10. Assignment. The nature of Buyer's composition as a not-for-profit entity all of the members of which are residents of \_\_\_\_\_ constitutes a material inducement and a substantial part of the consideration for sale of the Property by Seller to Buyer. Therefore, Buyer may not assign this Agreement, nor may any of Buyer's rights hereunder be transferred in any manner to any person or entity, without Seller's specific prior written consent, which consent may be withheld by Seller in Seller's sole and absolute discretion.

11. Brokerage. Buyer represents and warrants to Seller that Buyer has not contacted or entered into any agreement with any real estate broker, agent, finder, or any other party entitled to a commission in connection with this transaction, and that Buyer has not taken any action which would result in any real estate broker's, finder's, or other fees or commissions being due or payable to any other party with respect to this transaction. Seller represents and warrants to Buyer that Seller has not contacted or entered into any agreement with any real estate broker, agent, finder, or any other party entitled to a commission in connection with this transaction, and that Seller has not taken any action which would result in any real estate broker's, finder's, or other fees or commission being due and payable to any other party with respect to this transaction. Each party hereby agrees to indemnify, protect, defend (with counsel approved by the party to be indemnified) and to hold the other party harmless from any loss, liability, damage, costs, or expense (including, but not limited to, reasonable attorneys' fees at trial and all appellate levels) resulting to the other party from a breach of the representation and warranty made by such party herein. The provisions of this Section 11 shall survive the Closing and termination of this Agreement.

12. Default.

12.1. Buyer's Default. If this transaction shall not be closed because of default by Buyer, all of Seller's and Buyer's rights hereunder shall be terminated, except that Buyer shall remain obligated pursuant to Sections 3.4 and 3.5 hereof. If, after Closing, Buyer shall default in any obligation of Buyer contained herein, Seller shall be entitled to all remedies available in equity.

12.2. Seller's Default. If this transaction shall not be closed because of default of Seller, neither Seller nor Buyer shall have any further rights or obligations hereunder, except that Buyer shall remain obligated pursuant to Sections 3.4 and 3.5 hereof; or Buyer shall have the right to sue for specific performance of this Agreement; provided, however, such specific performance remedy shall be available to Buyer only upon Buyer's full satisfaction of each of Buyer's obligations under this Agreement, including, but not limited to, the issuance of the commitment for the Institutional Loan. The option selected by Buyer shall be Buyer's sole and exclusive remedy, and in no event shall Buyer be entitled to any damages.

12.3. No Obligation of Seller after Closing. Buyer expressly acknowledges and agrees that Seller has no obligations with respect to the Property pursuant to this Agreement which survive Closing, except as specifically set forth herein. The provisions of this Section shall survive the Closing.

13. No Joint Venture. Buyer acknowledges and agrees that Seller is not a venturer, co-venturer, insurer, guarantor or partner of Buyer in Buyer's ownership or operation of the Property, and that Seller bears and shall bear no liability whatsoever resulting from or arising out of Buyer's ownership and operation of the Property. Therefore, Buyer agrees to indemnify and hold harmless Seller from and against any and all losses, claims, demands, damages, costs and expenses of whatsoever kind or nature including reasonable attorneys' fees, related to or arising out of any claims against Seller as a result of Buyer's ownership or operation of the Property. The provisions of this Section 13 shall survive the Closing.

14. Miscellaneous.

14.1. Risk of Loss. Seller agrees to give Buyer prompt notice of any casualty affecting the Property or of any actual or threatened (to the extent that Seller has current actual knowledge thereof) taking or condemnation of all or any portion of the Property. If before Closing, there shall occur:

14.1.1. damage to any portion of the Property caused by casualty which would cost an amount equal to or greater than five percent (5%) of the Purchase Price of the Property to repair; or

14.1.2. the taking or condemnation of all or any portion of the Property which would interfere with the intended use of the Property; then, in such event, Buyer shall have the right to terminate this Agreement by written notice thereof delivered to Seller within ten (10) days after Buyer has received notice from Seller or otherwise learns of that event or at the Closing accept all interest of Seller in and to any insurance proceeds or condemnation awards payable to Seller on account of that event, less sums which Seller incurs before the Closing to repair any of the damage. If Buyer elects to terminate this Agreement, neither party shall have any further obligations under this Agreement except that Buyer shall remain liable for the obligations contained in Section 3.4 and 3.5 hereof. If Buyer does not so timely elect to terminate this Agreement, then the Closing shall take place as provided herein and there shall be assigned to Buyer at the Closing all interest of Seller in and to any insurance proceeds or condemnation awards payable to Seller on account of that event, less sums which Seller incurs before the Closing to repair any of the damage.

If before Closing there occurs:

(a) damage to the Property caused by casualty which would cost less than five percent (5%) of the Purchase Price to repair; or

(b) the taking or condemnation of a portion of the Property which would not interfere with the intended use of the Property;

then, Buyer may not terminate this Agreement and there shall be assigned to Buyer at the Closing all interest of Seller in and to any insurance proceeds or condemnation awards payable to Seller on account of that event, less sums which Seller incurs before the Closing to repair any of the damage.

14.2. Construction. The terms "Seller" and "Buyer" whenever used in this Agreement shall include the successors and permitted assigns of the respective parties hereto, provided, however, that Buyer's right of assignment is restricted by the provisions hereof. Whenever used, the singular number shall include the plural and the plural the singular, and the use of any gender shall include all genders. The term "including" as used herein shall in all instances mean "including, but not limited to". The term "attorney fees" wherever used in this Agreement shall include attorneys fees, paralegal fees and paraprofessional fees. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the interpretation of this Agreement. This Agreement and any related instruments shall not be construed more strictly against one party than against the other by virtue of the fact that initial drafts may have been prepared by counsel for one of the parties, it being recognized that this Agreement and any related instruments are the product of extensive negotiations between the parties hereto.

14.3. Counterparts. This Agreement may be executed in two or more counterparts, a complete set of which shall be deemed an original, but all of which will constitute the same agreement.

14.4. Severability and Waiver. Invalidation of any one Section or provision of this Agreement by judgment or court order shall in no way affect any other Section or provision. Failure of any party to this Agreement to insist on the full performance of any of its provisions by the other party shall not constitute a waiver of such performance unless the party failing to insist on full performance of the provision declares in writing signed by it that it is waiving such performance. A waiver of any breach under this Agreement by any party, unless otherwise expressly declared in writing, shall not be a continuing waiver or waiver of any subsequent breach of the same or other provision of this Agreement.

14.5. Governing Law. This Agreement is being executed and delivered, and is intended to be performed, in the State of Florida. The laws of the State of Florida (without regard to conflicts of law) shall govern the validity, construction, enforcement and interpretation of this Agreement. Venue for any action arising hereunder shall lie exclusively in the Federal or State courts where the Property is located.

14.6. Further Acts. In addition to the acts and deeds recited in this Agreement and contemplated to be performed, executed, and/or delivered under this Agreement, Seller and Buyer agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered at Closing or after Closing all further acts, deeds, and assurances reasonably necessary to consummate the transactions or agreements contemplated hereby.

14.7. Radon Gas. RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN FLORIDA. ADDITIONAL INFORMATION REGARDING RADON AND RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY HEALTH DEPARTMENT.

14.8. Notices. All notices, demands, requests, and other communications required or permitted hereunder shall be in writing. All such notices, demands, requests and other communications (and copies thereof) shall be deemed to be received: (a) upon receipt or refusal to accept receipt if sent by messenger, upon personal delivery to the party to whom the notice is directed; (b) if sent by telecopier, upon electronic or telephonic confirmation of receipt from the receiving telecopier machine; or (c) upon receipt or refusal to accept receipt if sent by overnight courier, with request for next Business Day delivery, addressed as follows (or to such other address as the parties may specify by notice given pursuant to this Section):

TO SELLER:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone no.: \_\_\_\_\_  
Facsimile no.: \_\_\_\_\_

WITH A COPY TO:

Patricia Kimball Fletcher, Esq.  
Patricia Kimball Fletcher, P.A.  
Duane Morris, LLP  
200 South Biscayne Blvd., Suite 3400  
Miami, Florida 33131  
Phone no.: (305) 960-2255  
Facsimile no.: (305) 960-2201

TO BUYER: \_\_\_\_\_ Association, Inc.

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone no.: \_\_\_\_\_  
Facsimile no.: \_\_\_\_\_

WITH A COPY TO: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone no.: \_\_\_\_\_  
Facsimile no.: \_\_\_\_\_

14.9. Entire Agreement and Amendment. This Agreement contains the entire understanding between Buyer and Seller with respect to the subject matter hereof. Neither this Agreement nor any provision hereof may be modified, amended, changed, waived, discharged or terminated orally. Any such action may occur only by an instrument in writing signed by the party against whom enforcement of the modification, change, waiver, discharge or termination is sought.

14.10. Recording. This Agreement shall not be recorded and Buyer agrees that recording same constitutes a default by Buyer.

14.11. Exhibits. The Exhibits which are referenced in and attached to this Agreement are incorporated in, and made a part of, this Agreement for all purposes.

14.12. Time of the Essence. It is expressly agreed by Seller and Buyer that time is of the essence with respect to this Agreement. If the final day of any period or any date of performance under this Agreement falls on a date which is not a Business Day, then the final day of the period or the date of performance, as applicable, shall be extended to the next day which is a Business Day.

14.13. No Third Party Beneficiary. This Agreement is solely between Seller and Buyer and no other party shall be entitled to rely upon any provision hereof for any purpose whatsoever.

14.14. Requisite Senior Management Approval. This Agreement is subject to a approval by Seller's senior management. Neither the submission of any proposal or this Agreement for examination to Buyer, nor any correspondence or course of dealing between Buyer or Seller shall constitute a reservation of or option for the Property or in any manner bind Seller. No contract or obligation on the part of Seller shall arise until this Agreement is approved by Seller's senior management and fully executed and unconditionally delivered by Seller. If this Agreement is executed and returned by Seller to Buyer, the requirement for senior management approval shall be deemed to have been obtained. Buyer may revoke its offer to purchase the Property pursuant to this Agreement if Seller does not execute the same within five (5) days of Seller's receipt of this Agreement fully executed by Buyer.

14.15. Limitation on Liability. Buyer expressly agrees that the obligations and liabilities of Seller under this Agreement and any document referenced herein shall not constitute personal obligations of the officers, directors, employees, agents, attorneys, shareholders or other principals and representatives of Seller or Seller's affiliates. Notwithstanding anything to the contrary, Seller's liability, if any, arising in connection with this Agreement or with the Property shall be limited to Seller's interest in the Property for the recovery of any judgment against Seller, and Seller shall not be personally liable for any such judgment or deficiency after execution thereon. The limitations of liability contained in this Section shall apply equally to, and inure to the benefit of Seller's present and future officers, directors, agents, employees, attorneys, shareholders or other principals and representatives and their respective heirs, successors and assigns.

14.16. Confidentiality.

14.16.1. Buyer acknowledges the confidential and proprietary nature of (i) all information, documents, agreements, correspondence, contracts, reports, files, books, records, financial data, and other information delivered or made available by Seller to Buyer pursuant to this Agreement, and (ii) all results, reports, analyses, and other products of tests, inspections, studies, and other due diligence conducted on the Property pursuant to this Agreement, and (iii) this Agreement and the contents and provisions hereof (collectively, the "**Confidential Information**"). Buyer agrees to keep and hold all of the Confidential Information confidential and agrees not to use it for any purpose other than the purposes contemplated by this Agreement. Buyer shall not disclose any of the Confidential Information to, or discuss any of the Confidential Information to, or discuss any of the Confidential Information with, any third person other than Buyer's counsel, consultants and advisors, the board of directors of Buyer, the homeowners within \_\_\_\_\_ and any potential Lender.

14.16.2. Each of Buyer and Seller agrees with the other that prior to Closing it will not make any public announcement about the purchase and sale transaction contemplated hereby or any of the terms hereof, including without limitation any of the Confidential Information, without the prior written consent of the other, except for announcements to the homeowners of \_\_\_\_\_ at membership meetings or otherwise.

14.16.3. The provisions of this Section 14.16 shall survive the Closing and any termination of this Agreement.

14.17. Attorneys Fees. In the event of any litigation between the parties this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, paraprofessional fees, and court costs, pretrial and at all levels of proceedings, including appeals. This provision shall survive termination or cancellation of this Agreement and closing of this Agreement.

**14.18. WAIVER OF TRIAL BY JURY. PURCHASER AND SELLER HEREBY EXPRESSLY COVENANT AND AGREE TO WAIVE THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION OR JUDICIAL PROCEEDINGS RELATING TO, DIRECTLY OR INDIRECTLY, OR CONCERNING THIS AGREEMENT OR THE CONDUCT, OMISSION, ACTION, OBLIGATION, DUTY, RIGHT, BENEFIT, PRIVILEGE OR LIABILITY OF A PARTY HEREUNDER TO THE FULL EXTENT PERMITTED BY LAW. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN AND IS KNOWINGLY, INTENTIONALLY AND VOLUNTARILY MADE BY PURCHASER AND SELLER. PURCHASER AND SELLER HAVE HAD AN OPPORTUNITY TO SEEK LEGAL COUNSEL CONCERNING THIS WAIVER. THIS WAIVER IS INTENDED TO AND DOES ENCOMPASS EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE ACCRUE. PURCHASER AND SELLER FURTHER CERTIFY AND REPRESENT TO EACH OTHER THAT NO PARTY, REPRESENTATIVE OR AGENT OF PURCHASER OR SELLER (INCLUDING, BUT NOT LIMITED TO, THEIR RESPECTIVE COUNSEL) HAS REPRESENTED, EXPRESSLY OR OTHERWISE, TO PURCHASER OR SELLER OR TO ANY AGENT OR REPRESENTATIVE OF PURCHASER OR SELLER (INCLUDING, BUT NOT LIMITED TO, THEIR RESPECTIVE COUNSEL) THAT THEY WILL NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL. THIS PROVISION IS A MATERIAL INDUCEMENT OF ALL PARTIES ENTERING INTO THIS AGREEMENT. THIS WAIVER SHALL APPLY TO THIS AGREEMENT AND ANY FUTURE AMENDMENTS, SUPPLEMENTS OR MODIFICATIONS OF THIS AGREEMENT. THIS PROVISION SHALL SURVIVE ANY TERMINATION OR CANCELLATION OF THIS AGREEMENT OR CLOSING OF THIS AGREEMENT.**

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement, each on the date set forth below.

WITNESSES:

SELLER:

\_\_\_\_\_, a \_\_\_\_\_

Print Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_, 200\_\_

**BUYER:**

\_\_\_\_\_ ASSOCIATION, INC., a  
Florida not-for-profit corporation

Print Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_, 200\_\_

SCHEDULE OF EXHIBITS

- A - Land
- B - Form of Special Warranty Deed
- C - Form of Seller's Affidavit
- D - Form of Bill of Sale
- E - Form of Assignment and Assumption Agreement
- F - Form of General Release from Buyer.
- G - Inventory
- H - Pending Litigation

**EXHIBIT A**  
**Legal Description of Land**

**EXHIBIT B**

This Instrument Prepared by:

PATRICIA KIMBALL FLETCHER, ESQ.  
PATRICIA KIMBALL FLETCHER, P.A.  
DUANE MORRIS  
200 SOUTH BISCAYNE BLVD., SUITE 3400  
MIAMI, FLORIDA 33131

Grantee's Tax Identification No.:

Property Appraiser's Folio No.:

**SPECIAL WARRANTY DEED**

THIS SPECIAL WARRANTY DEED (this "**Deed**") is made as of the \_\_\_ day of \_\_\_\_\_, 200\_\_\_, from \_\_\_\_\_, a \_\_\_\_\_ ("**Grantor**") having a mailing address of \_\_\_\_\_ to \_\_\_\_\_ ASSOCIATION, INC., a Florida not-for-profit corporation, the mailing address of which is \_\_\_\_\_ (the "**Grantee**").

**WITNESSETH:**

THAT Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt of which is hereby acknowledged, by these presents does grant, bargain and sell unto Grantee, and Grantee's successors and assigns forever, all the right, title, interest, claim and demand that Grantor has or may have in and to the following described real property (the "**Property**") located and situate in the County of \_\_\_\_\_ and State of Florida, to wit:

[LEGAL DESCRIPTION]

The Property is conveyed subject to the following:

[NOTE: The "subject to" items and matters, which shall be listed in the Special Warranty Deed actually delivered if a closing occurs, shall be those comprising the Acceptable Encumbrances (as defined in Section 5 of the Agreement for Sale and Purchase of Property) and those permitted to be shown as set forth in Section 5 of the Agreement for Sale and Purchase of Property.]

Grantor does hereby warrant, and will defend, the title to the Property hereby conveyed, subject as aforesaid, against the lawful claims of all persons claiming by, through or under Grantor, but none other.

Grantee, by acceptance of this Special Warranty Deed, automatically agrees for itself, and its successors and assigns, to observe and to be bound by all of the terms and conditions set forth in the [identify section that lists Acceptable Encumbrances] and all future amendments thereto applicable to the Property.

IN WITNESS WHEREOF, Grantor has caused these present to be executed and its seal to be affixed the day and year first above written.

**WITNESSES:** \_\_\_\_\_, a \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

{SEAL}

DM2439708.5

Club  
3/4/06

Page 123 of 149

STATE OF FLORIDA                    )  
                                                  ) SS.:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, who is personally known to me or who produced \_\_\_\_\_ as identification on behalf of the corporation.

My commission expires:

\_\_\_\_\_  
NOTARY PUBLIC  
State of Florida at Large

Print name: \_\_\_\_\_

**EXHIBIT C**

**SELLER'S AFFIDAVIT**

BEFORE ME, the undersigned authority personally appeared \_\_\_\_\_  
 ("**Affiant**"), who upon being duly cautioned and sworn, deposes and states as follows:

Affiant is the \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ ("**Seller**"), and  
has been authorized by Seller to make this Affidavit on Seller's behalf.

1. Seller is the owner in fee simple of those premises legally described as follows (the  
"**Property**"):

[LEGAL DESCRIPTION]

2. Seller has possession of the Property, there is no other person in possession who has any  
right of ownership in the Property and there are no facts known to Seller which could give rise to  
a claim of ownership being adversely asserted to any of the Property.

3. The Property is free and clear of all liens, taxes, encumbrances and claims of every kind,  
nature and description whatsoever, except for (i) real estate and personal property taxes for the  
year 200\_\_ and subsequent years, which are not yet due and payable and (ii) easements,  
restrictions, or other title matters of record, or listed in the schedule of exceptions in the title  
insurance policy to insure the fee simple title to the Property to be received by Buyer in this  
transaction pursuant to the title commitment issued in this transaction. To the extent Seller has  
failed to pay income, use, sales or any other tax accruing prior to Closing respecting the  
Property, Seller shall be responsible for the same.

4. Within the past ninety (90) days there have been no improvements, alterations or repairs  
to the Property for which the costs thereof remain unpaid, and within the past ninety (90) days  
there have been no claims for labor or material furnished for repairing or improving the Property  
that remain unpaid.

5. There are no construction, materialmen's, or laborers' liens against the Property.

6. Seller has made no additional improvements to the Property and has received no notice of  
(proposed) back assessments from Appraiser's Office or bill for back assessments from Tax  
Collector.

7. The personal property contained in the Property, and which, if any, is being sold to Buyer  
mentioned below, is also free and clear of all liens, encumbrances, claims and demands  
whatsoever.

8. All fixtures, equipment, appliances, machines, plumbing, heating and air conditioning  
systems located within or upon this Property have been paid for in full and there are no chattel  
mortgages, title retention or conditional sales contracts or other encumbrances outstanding  
against the same.

9. There are no actions or proceedings now pending in any State or Federal Court to which  
Seller is a party, including, but not limited to proceedings in bankruptcy, receivership or  
insolvency, nor are there any judgments or liens of any nature which constitute or could  
constitute a charge or lien upon such Property.

10. There are no existing contracts for sale affecting the Property except for the contract  
between Seller and Buyer.

11. Seller has received no warning, notices, notice of violation, administrative complaints,  
judicial complaints or other formal notices from any governmental agency alleging that  
conditions on the Property are in violation of environmental laws, regulations, ordinances or  
rules.

12. This affidavit is (i) made for the purpose of inducing  
\_\_\_\_\_ ASSOCIATION, INC., a Florida not-for-profit  
corporation (the "**Buyer**") to purchase the Property, (ii) for the purpose of inducing  
\_\_\_\_\_ as agent for \_\_\_\_\_ to issue a policy of title

insurance in connection with this transaction and to disburse funds in reliance on the title commitment and (iii) made under penalties of perjury.

FURTHER AFFIANT SAYETH NAUGHT.

By: \_\_\_\_\_  
\_\_\_\_\_ as \_\_\_\_\_ of  
\_\_\_\_\_, a \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA                    )  
                                                  ) SS.:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was sworn to and subscribed to before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the corporation.

My commission expires:

\_\_\_\_\_  
NOTARY PUBLIC  
State of Florida at Large  
Print name: \_\_\_\_\_

**EXHIBIT D**

**BILL OF SALE**

AND \_\_\_\_\_, a \_\_\_\_\_ ("**Seller**") for the sum of TEN AND NO/100 (\$10.00) DOLLARS, lawful money of the United States, paid by \_\_\_\_\_ ASSOCIATION, INC., a Florida not-for-profit corporation (the "**Buyer**") the receipt whereof is hereby acknowledged, has granted, bargained, sold, transferred and delivered, and by these presents does grant, bargain, sell, transfer and deliver unto the such Buyer all of the personal property, now existing, owned by Seller as set forth in attached **Exhibit A** and located on the property described on **Exhibit B**.

To HAVE AND TO HOLD the same unto such Buyer forever. Wherever used herein the term "**Seller**" and "**Buyer**" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals and any successors and assigns of the parties hereto.

AND Seller covenants that Seller is the lawful owner of such goods and chattels; that they are free from all liens and/or encumbrances; and Seller will warrant and defend the title of such goods and chattels against the lawful claims and demands of all persons claiming by, through, or under Seller, but none other. The conveyances hereunder are on an "as-is" basis.

IN WITNESS WHEREOF, Seller has hereunto set its hand and seal effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

WITNESSES:

**SELLER**

\_\_\_\_\_, a \_\_\_\_\_

Print Name: \_\_\_\_\_

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

Print Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[SEAL]

STATE OF FLORIDA )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 200\_\_ by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the corporation.

My commission expires:

\_\_\_\_\_  
NOTARY PUBLIC  
State of Florida at Large  
Print name: \_\_\_\_\_

EXHIBIT A

**Inventory**

Clubhouse Inventory List:

Outside:

Inside:

**EXHIBIT B**  
**Legal Description of Land**

**Exhibit E**

This Instrument Prepared by:

PATRICIA KIMBALL FLETCHER, ESQ.  
PATRICIA KIMBALL FLETCHER, P.A.  
DUANE MORRIS  
200 SOUTH BISCAYNE BLVD., SUITE 3400  
MIAMI, FLORIDA 33131



**ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "**Agreement**") is executed by and between \_\_\_\_\_, a \_\_\_\_\_ ("**Seller**") and \_\_\_\_\_ ASSOCIATION, INC., a Florida not-for-profit corporation (the "**Buyer**").

**RECITALS:**

A. Pursuant to the Agreement for Sale and Purchase of Property, executed by Seller and Buyer as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_ ("**Purchase Agreement**"), Seller shall assign and Buyer shall assume those items of Personal Property and the Club Plan (as defined in the Purchase Agreement).

B. The Personal Property includes those service and equipment contracts (the "**Contracts**") set forth in **Exhibit A** attached hereto.

C. Seller is the owner of the following described real property located in \_\_\_\_\_ County, Florida ("**Property**"): \_\_\_\_\_

[LEGAL DESCRIPTION]

NOW THEREFORE, Seller and Buyer agree as follows:

1. **Recitals.** The above Recitals are true and correct and are incorporated into and form a part of this Agreement.
2. **Assignment.** Seller hereby assigns all of its right, title and interest in the Property including, without limitation, the Contracts and all of its rights in and under the Club Plan to Buyer, on an "as-is" basis. Seller shall have no further rights with respect to the Property or the Club Plan. By way of example, and not of limitation, from and after this date Buyer shall be Club Owner under the Club Plan and Seller shall have no rights, including lien rights, under the Club Plan. Seller may deliver a copy of this Agreement to any party to a Contract.
3. **Assumption.** Buyer hereby assumes all of Seller's obligations under and with respect to the Property including, without limitation, the Contracts, and all of the obligations and rights of Seller as Club Owner under the Club Plan.

IN WITNESS WHEREOF, this Agreement is signed and sealed as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_.

WITNESSES: \_\_\_\_\_, a \_\_\_\_\_

Print Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, who is personally known to me or who produced \_\_\_\_\_ as identification on behalf of the corporation.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC  
State of Florida at Large

Print name: \_\_\_\_\_

**WITNESSES:**

\_\_\_\_\_  
ASSOCIATION,  
INC., a Florida not-for-profit corporation

\_\_\_\_\_  
Print Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_ Association, Inc., a Florida not-for-profit corporation, who is personally known to me or who produced \_\_\_\_\_ as identification on behalf of the corporation.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC  
State of Florida at Large

Print name: \_\_\_\_\_

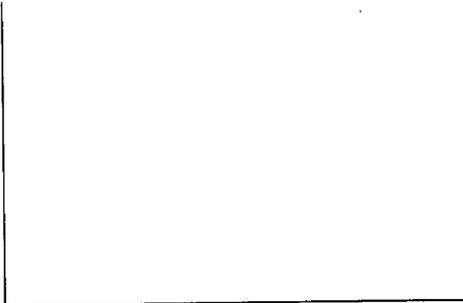
**EXHIBIT A**

**Service and Equipment Contracts**

**EXHIBIT F**

This Instrument Prepared  
by:

PATRICIA KIMBALL FLETCHER, ESQ.  
PATRICIA KIMBALL FLETCHER, P.A.  
DUANE MORRIS, LLP  
200 SOUTH BISCAYNE BLVD., SUITE 3400  
MIAMI, FLORIDA 33131



**GENERAL RELEASE**

**KNOW ALL MEN BY THESE PRESENTS:** That \_\_\_\_\_  
ASSOCIATION, INC., a Florida not-for-profit corporation (the "**Releasor**"), the mailing address  
of which is \_\_\_\_\_, for and in consideration of the sum of  
TEN DOLLARS (\$10.00), and other valuable consideration, received from or on behalf of  
\_\_\_\_\_, a \_\_\_\_\_ (the "**Releasee**"), the mailing address of which is  
\_\_\_\_\_, the receipt whereof is hereby  
acknowledged,

**DOES HEREBY** remise, release, acquit, satisfy, and forever discharge the Releasee, and  
its officers, directors, shareholders, employees, attorneys, agents, affiliates, affiliates' officers,  
directors, shareholders, employees, attorneys, agents, members, partners, representatives, and all  
other related parties who may be jointly liable with them, (collectively, the "**Releasee's  
Affiliates**") of and from all, and all manner of, action and actions, cause and causes of action,  
suits, debts, sums of money, accounts, bills, covenants, controversies, agreements, promises,  
damages (including consequential, incidental, punitive, special or other), judgments, executions,  
claims, liabilities and demands, whatsoever, at law and in equity (including, but not limited to,  
claims founded on tort, contract, contribution, indemnity or any other theory whatsoever), which  
such Releasor ever had, now has, or which any officer, director, shareholder, representative,  
successor, or assign of such Releasor, hereafter can, shall or may have, against such Releasee  
and the Releasee's Affiliates, for, upon or by reason of any matter, cause or thing, whatsoever,  
from the beginning of the world to the day of these presents, whether known or unknown (either  
through ignorance, oversight, error, negligence or otherwise), and whether matured or  
unmatured, and which matter, cause, or thing, relates, in any manner, directly or indirectly,  
regarding (a) the Releasor, the common areas (the "**Common Areas**") within  
\_\_\_\_\_ (the "**Community**"), Club \_\_\_\_\_ (the "**Club**"), more particularly  
described on **Exhibit A** hereto, or the improvements thereon (collectively, the "**Property**"), or  
(b) any occurrences, circumstances, and/or documentation (e.g., the Declaration and/or the Club  
Plan) whatsoever, relating to the Community, the Common Areas, the Club and/or the Property,  
which occurred or took place prior to the transfer of the Property from Releasee to Releasor (the  
"**Closing**"), except (i) representations of Releasee in that certain Agreement for Sale and  
Purchase dated \_\_\_\_\_, 200\_\_ between Releasor and Releasee which survive the  
Closing, (ii) warranties of the Releasee contained in that certain Special Warranty Deed  
delivered by Releasee in connection with such Closing and (iii) personal injury claims respecting  
the Property, if any, occurring prior to Closing.



**EXHIBIT A**

**Legal Description of Land**

**EXHIBIT G**

**Inventory**

**EXHIBIT H**  
**Pending Litigation Matters**

DM2439708.5

Club  
8/4/06

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EXHIBIT 5

PERMIT



ENVIRONMENTAL RESOURCES MANAGEMENT  
WATER CONTROL SECTION  
SUITE 200  
33 S.W. 2nd AVENUE  
MIAMI, FLORIDA 33130-1540  
(305) 372-6681

September 24, 2004

Mr. Rey Melendi  
Lennar Homes, Inc.  
730 N.W. 107 Avenue, 4<sup>th</sup> Floor  
Miami, Florida 33172

**RE: SURFACE WATER MANAGEMENT STANDARD GENERAL PERMIT NO. 13-02405-P**

**DATE ISSUED:** SEPTEMBER 16, 2004

**PERMITTEE:** LENNAR HOMES, INC.

**PROJECT DESCRIPTION:** THE CONSTRUCTION OF A SURFACE WATER MANAGEMENT SYSTEM TO SERVE 297.54 ACRES DEVELOPMENT KNOWN AS SILVER PALMS (MANNY DIAZ)

**PROJECT LOCATION:** S.W. 232<sup>ND</sup> STREET & S.W. 117<sup>TH</sup> AVENUE, IN MIAMI-DADE COUNTY SECTION 19, 24, TWP58/RG39, 40E

**PERMIT DURATION:** FIVE YEARS FROM THE DATE ISSUED TO COMPLETE CONSTRUCTION OF THE SURFACE WATER MANAGEMENT SYSTEM AS AUTHORIZED HEREIN, IN ACCORDANCE WITH RULE 40E-4.321, FAC.

Dear Mr. Melendi:

This is to notify you of the Department's action concerning Permit Application No.: 040826-2 dated August 26, 2004. This action is taken pursuant to Rule 40E-40.302, Florida Administrative Code (F.A.C.)

Based on the information provided, Miami-Dade County and District rules have been adhered to and a Surface Water Management General Permit is in effect for this project subject to:

1. Not receiving a filed request for a Chapter 120, Florida Statutes, administrative hearing.
2. the attached Standard Limiting Conditions,
3. the attached Special Conditions, and
4. the attached set of approved plans.

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Silver Palms (Manny Diaz)  
Page 2

Should you object to any of these conditions, please refer to the attached "Notice of Rights" which addresses the procedures to be followed if you desire a public hearing or other review of the proposed agency action. Please contact this office if you have any questions concerning this matter. If we do not hear from you in accordance with the "Notice of Rights", we will assume that you concur with the Miami-Dade County DERM's action.

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a "Notice of Rights" has been mailed to this addressee no later than 5.00 p.m. this 24th day of September 2004 in accordance with Section 120.6(3), Florida Statutes.

Sincerely,



J. M. (Manny) Tobon, P.E.  
Chief, Water Control Section

CC:

CERTIFIED MAIL NO.:  
RETURN RECEIPT REQUESTED

REVIEWER: MARIE K. HALL  
FIELD INSPECTOR: MAHMOUD ABDALLAH

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**SPECIAL CONDITIONS**

1. **LOWEST FLOOR ELEVATION SHALL BE AT ELEVATION +8.29 FEET N.G.V.D., OR EIGHT INCHES ABOVE CROWN OF ROAD, WHICHEVER IS HIGHER. (PEAK STAGE FOR 100 YEAR, 3-DAY EVENT IS: +7.73 FEET N.G.V.D)**
2. **MINIMUM FINISHED GRADE ON SITE AREA : +6.83 FEET N.G.V.D.**
3. **MINIMUM ADJACENT GRADE ON SITE SHALL BE 7.79 FEET N.G.V.D.**
4. **PROVIDE 9,828 L.F. OF FRENCH DRAIN TO CONTAIN THE 5-YEAR STORM ON SITE.**
5. **PROVIDE PERIMETER BERM AT ELEVATION: 7.5 FEET N.G.V.D.**
6. **THE PERMITTEE SHALL BE RESPONSIBLE TO ESTABLISH ADEQUATE MEASURES AND CONTROL DURING CONSTRUCTION TO ENSURE THAT SEDIMENTATION AND/OR TURBIDITY PROBLEMS DO NOT IMPACT ADJACENT FACILITIES. SAID MEASURES SHALL BE USED ALSO TO PREVENT SILTATION OF THE CONSTRUCTED DRAINAGE SYSTEM DURING SITE DEVELOPMENT.**
7. **SILT SCREEN, HAY BALES OR OTHER SEDIMENT CONTROL MEASURES SHALL BE UTILIZED DURING CONSTRUCTION.**
8. **IN ADDITION, THE PERMITTEE SHALL FACILITATE ACCESS TO THE SITE TO PERSONNEL OF THE DEPARTMENT OF ENVIRONMENTAL RESOURCES MANAGEMENT, WHEN REQUESTED FOR INSPECTION, AT ANY TIME DURING AND AFTER CONSTRUCTION OF THE PERMITTED WORK.**
9. **THE OPERATION OF THE SURFACE WATER MANAGEMENT SYSTEM SHALL BE THE RESPONSIBILITY OF THE VINEYARDS COMMUNITY ASSOCIATION.**
10. **ANY FUTURE CHANGES IN LAND USE MAY REQUIRE A SURFACE WATER MANAGEMENT PERMIT MODIFICATION AND ADDITIONAL ENVIRONMENTAL REVIEW BY WATER CONTROL STAFF. PRIOR TO THE PERMITTEE INSTITUTING ANY FUTURE CHANGES NOT AUTHORIZED BY THIS PERMIT, THE PERMITTEE SHALL NOTIFY THE DERIM OF SUCH INTENTIONS FOR A DETERMINATION OF ANY NECESSARY PERMIT MODIFICATIONS.**

Page 141 of 149

**SPECIAL CONDITIONS (CONTINUED)**

10. PRECONSTRUCTION MEETING WITH PERMITTEE, CONTRACTOR AND DERM REPRESENTATIVE IS REQUIRED AND MUST BE SCHEDULED 10 DAYS PRIOR TO START OF WORK. CONTACT MAHMOUD ABDALLAH AT (305) 372-6681 TO ARRANGE THIS MEETING.
  
11. 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 SURFACE WATER MANAGEMENT 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 DERM 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 "ASBUILT" OR "RECORD" DRAWING. ALL SURVEYED DIMENSIONS AND ELEVATIONS SHALL BE CERTIFIED BY A REGISTERED SURVEYOR.
  
12. A NPDES STORMWATER PERMIT MAY BE REQUIRED AS PER RULE 62-621.300(4) F.A.C. FOR THE PROPOSED CONSTRUCTION ACTIVITY. PLEASE CONTACT THE FLA. DEPT. OF ENVIRONMENTAL PROTECTION, NPDES STORMWATER SECTION AT (805) 921-9904 OR [WWW.DEP.STATE.FL.US/WATER/STORMWATER/NPDES/](http://WWW.DEP.STATE.FL.US/WATER/STORMWATER/NPDES/).

	Total Project (acres)
Building Coverage	66.10
Pavement	37.32
Pervious	124.63
Water Mgmt Acreage	21.41
Road R/W	48.51
<b>TOTAL ACREAGE</b>	<b>297.54</b>

**B. Water Quantity:**

**Finished Floors:**

Building Storm Frequency: 100 YEAR, 3-DAY

Design Rainfall: 11.0 inches

Basin	Peak Stage (ft NGVD)	Proposed Lowest Floor Elevation (ft NGVD)	FEMA Elevation (ft NGVD)
Site	7.73	8.29	7.0

**Perimeter Grading (Off-site Discharge):**  
Off-site Storm Frequency: 25 YEAR, 3-DAY

Design Rainfall: 9.0 inches

Basin	Pre-Development Peak Stage (ft NGVD)	Post-Development Peak Stage (ft NGVD)
Site		7.46

**Road and Parking Lot Grading:**

Road and Site Storm Frequency: 10 YEAR, 1-DAY

Design Rainfall: 7.5 inches

Basin	Peak Stage (ft NGVD)	Proposed Minimum Road Crown (ft NGVD)	Miami-Dade County Flood Criteria (ft NGVD)
Site	7.24		5.5

**Control Elevation:**

Basin	Area (Acres)	Control Elevation (ft NGVD)	WSWT Control Elevation (ft NGVD)	Method of Determination
Site	297.94	7.73	3.50	Wet Season Water Table Contour Map

**C. Water Quality:**

**Site Drainage:**

Drainage Storm Frequency: 5-year

Rainfall: 6.2 inches/hr

Basin	Treatment Method	Length or Retention Area (ft or acres)	Volume Required (ac-ft)	Volume Provided (ac-ft)
Site	Infiltration Trench	9,828	24.83	24.83



ENVIRONMENTAL RESOURCES MANAGEMENT  
WATER CONTROL SECTION  
SUITE 200  
33 S.W. 2ND AVENUE  
MIAMI, FLORIDA 33130-1540  
(305) 372-8881

**DEPARTMENT OF ENVIRONMENTAL  
RESOURCES MANAGEMENT**

**CONSTRUCTION COMMENCEMENT NOTICE**

DEPARTMENT OF ENVIRONMENTAL  
RESOURCES MANAGEMENT  
33 S.W. 2ND AVENUE - SUITE 200  
MIAMI, FLORIDA 33130-1540

PROJECT: \_\_\_\_\_ PHASE: \_\_\_\_\_

I hereby notify the DERM Water Control Section that construction of the surface water management system, authorized by Surface Water Management Permit No. \_\_\_\_\_ under Application No. \_\_\_\_\_ has commenced/is expected to commence on \_\_\_\_\_ 200\_\_ or will require a duration of approximately \_\_\_\_\_ months \_\_\_\_\_/weeks \_\_\_\_\_ days to complete. It is understood that, should the construction term extend beyond one year, I am obligated to submit the Annual Status Report for Surface Water Management System Construction (Reference Form #961) to the DERM.

**PLEASE NOTE:** If the actual construction commencement date is not known, DERM staff should be so notified in writing in order to satisfy permit conditions.

\_\_\_\_\_  
Permittee's or Authorized Agent      Title and Company      Date

\_\_\_\_\_  
Phone

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ENVIRONMENTAL RESOURCES MANAGEMENT  
WATER CONTROL SECTION  
SUITE 200  
33 S.W. 2nd AVENUE  
MIAMI, FLORIDA 33130-1840  
(305) 372-6681

DEPARTMENT OF ENVIRONMENTAL  
RESOURCES MANAGEMENT

CONSTRUCTION COMPLETION/CONSTRUCTION CERTIFICATION

PROJECT: \_\_\_\_\_

GENERAL PERMIT NO.: 13- \_\_\_\_\_ -P

LOCATION: DADE COUNTY, S \_\_\_\_\_ JT \_\_\_\_\_ S/R \_\_\_\_\_ E

I HEREBY NOTIFY THE DERM WATER CONTROL SECTION OF THE COMPLETION OF CONSTRUCTION OF ALL THE COMPONENTS OF THE SURFACE WATER MANAGEMENT FACILITIES FOR THE ABOVE REFERENCED PROJECT AND CERTIFY THAT THEY HAVE BEEN CONSTRUCTED IN SUBSTANTIAL CONFORMANCE WITH THE PLANS SPECIFICATIONS PERMITTED BY THE DERM. (A COPY OF THE APPROVED PERMIT DRAWINGS IS ATTACHED WITH DEVIATIONS NOTED, IF APPLICABLE.) I HEREBY AFFIX MY SEAL THIS DAY OF \_\_\_\_\_, 200\_\_\_\_. (REFERENCE 373.117M 373.419, F.S.).

\_\_\_\_\_  
Engineer's Signature and Seal      Date

\_\_\_\_\_  
Name (Please Print)  
FL Registration No.



Form 0537  
3/96

South Florida Water Management District  
**GENERAL PERMIT**  
**NOTICE OF RIGHTS**

This Notice of Rights is intended to inform the recipient of the administrative and judicial review which may be available as mandated by section 120.60(3), Florida Statutes. Be advised that although this notice is intended to be comprehensive, the review procedures set forth herein have been the subject of judicial construction and interpretation which may affect the administrative or judicial review available. Recipients are therefore advised to become familiar with Chapters 120 and 373, Florida Statutes, and the judicial interpretation of the provisions of these chapters.

1. If a substantially affected person objects to the staff's recommendation, that person has the right to request an administrative hearing on the proposed agency action. The substantially affected person may request either a formal or an informal hearing, as set forth below. Failure to comply with the prescribed time periods shall constitute a waiver of the right to a hearing.
2. If a substantially affected person believes a genuine issue of material fact is in dispute, that person may request a formal hearing pursuant to section 120.57(1), Florida Statutes, by filing a petition not later than:
  - a. IF NOTICE OF THE APPLICATION WAS PUBLISHED BY THE APPLICANT, within fourteen (14) days after mailing of the proposed agency action or
  - b. IF NOTICE OF THE APPLICATION WAS NOT PUBLISHED, within fourteen (14) days after receipt of actual notice.The request for a section 120.57(1), F.S., formal hearing must comply with the requirements of Rule 40E-1.521, Florida Administrative Code, a copy of which is attached. Petitions are deemed filed upon receipt by the District. Failure to substantially comply with the provisions of Rule 40E-1.521, Florida Administrative Code, shall constitute a waiver of the right to a 120.57(1) hearing. If a petition for administrative hearing is not timely filed, the staff's proposed agency will automatically mature into final agency action.
3. If a substantially affected person believes that no issues of material fact are in dispute, that person may request an informal hearing pursuant to section 120.57(2), F.S., by filing a petition for hearing not later than:
  - a. IF NOTICE OF THE APPLICATION WAS PUBLISHED BY THE APPLICANT, within fourteen (14) days after mailing of the proposed agency action or
  - b. IF NOTICE OF THE APPLICATION WAS NOT PUBLISHED, within fourteen (14) days after receipt of actual notice.A request for informal hearing shall be considered as a waiver of the right to request a formal section 120.57(1) F.S. hearing. A request for a section 120.57(1) F.S., formal hearing not in substantial compliance with the provisions of rule 40E-1.521, F.A.C. may be considered by the District as a request for informal hearing. If a petition for administrative hearing is not timely filed, the staff's proposed agency action will automatically mature into final agency action.
4. Pursuant to section 373.114, Florida Statutes, a party to the proceeding below may seek review of a Final Order rendered on the permit application before the Land and Water Adjudicatory Commission, as provided therein. Review under this section is initiated by filing a request for review with the Land and Water Adjudicatory Commission and serving a copy of the Department of Environmental Protection and any person named in the order within 20 days after rendering of the District's Order. However, when the order to be reviewed has statewide or regional significance, as determined by the Land and Water Adjudicatory Commission within 60 days after receipt of a request for review, the commission may accept a request for review from any affected person within 30 days after the rendering of the order. Review under section 373.114, Florida Statutes, is limited solely to a determination of consistency with the provisions and purposes of Chapter 373, Florida Statutes. This review is appellate in nature and limited to the record below.
5. A party who is adversely affected by final agency action on the permit application is entitled to judicial review in the District Court of Appeal pursuant to section 120.68, Florida Statutes, as provided therein. Review under Section 120.68, Florida Statutes in the District Court of Appeal is initiated by filing a petition in the appropriate District Court of Appeal in accordance with Florida rule of appellate procedure 9.110. The Notice of Appeal must be filed within 30 days of the final agency action.
6. Section 373.617(2), Florida Statutes, provides:

Any person substantially affected by a final action of any agency with respect to a permit may seek review within 90 days of the rendering of such decision and request monetary damages and other relief in the circuit court in the judicial circuit in which the affected property is located; however, circuit court review shall be confined solely to determining whether final agency action is an unreasonable exercise of the state's police power constituting a taking without just compensation. Review of final agency action for the purpose of determining whether the action is in accordance with existing statutes or rules and based on competent substantial evidence shall proceed in accordance with Chapter 120.
7. Please be advised that exhaustion of administrative remedies is generally a prerequisite to appeal to the District Court of Appeal or to the District on the permit application. There are, however, exceptions

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LIMITING CONDITIONS

1. THE PERMITTEE SHALL IMPLEMENT THE WORK AUTHORIZED IN A MANNER AS TO MINIMIZE ANY ADVERSE IMPACT OF THE WORKS OF FISH, WILDLIFE, NATURAL ENVIRONMENTAL VALUES, AND WATER QUALITY. THE PERMITTEE SHALL INSTITUTE NECESSARY MEASURES DURING THE CONSTRUCTION PERIOD, INCLUDING FULL COMPACTION OF ANY FILL MATERIAL PLACED AROUND NEWLY INSTALLED STRUCTURES, TO REDUCE EROSION, TURBIDITY, NUTRIENT LOADING AND SEDIMENTATION IN THE RECEIVING WATERS.
2. WATER QUALITY DATA FOR THE WATER DISCHARGED FROM THE PERMITTEE'S PROPERTY OR INTO SURFACE WATERS OF THE STATE WILL BE SUBMITTED TO THE DADE COUNTY DERM AS REQUIRED BY SECTION 5.9, "BASIS REVIEW FOR SURFACE WATER MANAGEMENT PERMIT APPLICATIONS WITHIN SOUTH FLORIDA WATER MANAGEMENT DISTRICT - MARCH, 1994." PARAMETERS TO BE MONITORED MAY INCLUDE THOSE LISTED IN CHAPTER 62-302, F.A.C. IF WATER QUALITY DATA IS REQUIRED, THE PERMITTEE SHALL PROVIDE DATA ON VOLUMES OF WATER DISCHARGED, INCLUDING TOTAL VOLUME DISCHARGED DURING THE DAYS OF SAMPLING AND TOTAL MONTHLY DISCHARGES FROM THE PROPERTY OR INTO SURFACE OF THE STATE.
3. THIS PERMIT SHALL NOT RELIEVE THE PERMITTEE OF ANY OBLIGATION TO OBTAIN NECESSARY FEDERAL, STATE, LOCAL OR SPECIAL DISTRICT APPROVALS.
4. THE OPERATION PHASE OF THIS PERMIT WILL NOT BECOME EFFECTIVE UNTIL DADE COUNTY DERM'S ACCEPTANCE OF CERTIFICATION OF THE COMPLETE SURFACE WATER MANAGEMENT SYSTEM.
5. ALL ROAD ELEVATIONS SHALL BE SET IN ACCORDANCE WITH THE CRITERIA SET FORTH IN CHAPTER 11 C OF THE METROPOLITAN DADE COUNTY CODE.
6. ALL BUILDING FLOOR ELEVATIONS SHALL BE SET IN ACCORDANCE WITH THE CRITERIA SET FORTH IN SECTION 6.4, "BASIS OF REVIEW FOR SURFACE WATER MANAGEMENT PERMIT APPLICATIONS WITHIN SOUTH FLORIDA WATER MANAGEMENT DISTRICT - MARCH, 1994".
7. OFF-SITE DISCHARGES DURING CONSTRUCTION AND DEVELOPMENT WILL BE MADE ONLY THROUGH THE FACILITIES AUTHORIZED BY THIS PERMIT.
8. A PERMIT TRANSFER TO THE OPERATION PHASE SHALL NOT OCCUR UNTIL A RESPONSIBLE ENTITY MEETING THE REQUIREMENT IN SECTION 9.0, "BASIS OF REVIEW FOR SURFACE WATER MANAGEMENT PERMIT APPLICATIONS WITHIN SOUTH FLORIDA WATER MANAGEMENT DISTRICT - MARCH, 1994," HAS BEEN ESTABLISHED TO OPERATION AND MAINTAIN THE SYSTEM. THE ENTITY MUST BE PROVIDED WITH SUFFICIENT OWNERSHIP OR LEGAL INTEREST SO THAT IT HAS CONTROL OVER ALL WATER MANAGEMENT FACILITIES AUTHORIZED HEREIN.
9. THE PERMIT DOES NOT CONVEY TO THE PERMITTEE ANY PROPERTY RIGHT NOR ANY RIGHTS OR PRIVILEGES OTHER THAN THOSE SPECIFIED IN THE PERMIT AND CHAPTER 40E-4, FAC.
10. THE PERMITTEE SHALL HOLD AND SAVE DADE COUNTY HARMLESS FROM ANY AND ALL DAMAGES, CLAIMS, OR LIABILITIES WHICH MAY ARISE BY REASON OF THE CONSTRUCTION, OPERATION, MAINTENANCE OR USE OF ANY FACILITY AUTHORIZED BY THE PERMIT.

ISSUED BASED ON THE APPLICANT'S SUBMITTED INFORMATION.

LIMITING CONDITIONS

PAGE (2)

- ANY ADVERSE IMPACTS CAUSED BY THE COMPLETED SURFACE WATER MANAGEMENT SYSTEM OCCUR, DERM WILL REQUIRE THE PERMITTEE TO PROVIDE APPROPRIATE MITIGATION TO DERM OR OTHER IMPACTED PARTY. DERM WILL REQUIRE THE PERMITTEE TO MODIFY THE SURFACE WATER MANAGEMENT SYSTEM, IF NECESSARY, TO ELIMINATE THE CAUSE OF THE ADVERSE IMPACTS.
12. WITHIN 30 DAYS OF ISSUANCE OF THIS PERMIT, THE PERMITTEE OR AUTHORIZED AGENT SHALL NOTIFY DERM (VIA THE SUPPLIED CONSTRUCTION COMMENCEMENT NOTICE OR EQUIVALENT) OF THE ACTUAL OR ANTICIPATED CONSTRUCTION START DATE AND THE EXPECTED COMPLETION DATE.
  13. WHEN THE DURATION OF CONSTRUCTION EXCEEDS ONE YEAR, THE PERMITTEE OR AUTHORIZED AGENT SHALL SUBMIT CONSTRUCTION STATUS REPORTS ON AN ANNUAL BASIS (VIA THE SUPPLIED ANNUAL STATUS REPORT OR EQUIVALENT) BEGINNING ONE YEAR AFTER THE INITIAL COMMENCEMENT OF CONSTRUCTION.
  14. WITHIN 30 DAYS AFTER COMPLETION OF CONSTRUCTION OF THE SURFACE WATER MANAGEMENT SYSTEM, THE PERMITTEE OR AUTHORIZED AGENT SHALL FILE A WRITTEN STATEMENT OF COMPLETION AND CERTIFICATION BY A FLORIDA REGISTERED PROFESSIONAL ENGINEER. THESE STATEMENTS MUST SPECIFY THE ACTUAL DATE OF CONSTRUCTION COMPLETION AND MUST CERTIFY THAT ALL FACILITIES HAVE BEEN CONSTRUCTED IN SUBSTANTIAL CONFORMANCE WITH THE PLANS AND SPECIFICATIONS APPROVED BY DERM (VIA THE SUPPLIED CONSTRUCTION COMPLETION/CONSTRUCTION CERTIFICATION OR EQUIVALENT). THE CONSTRUCTION COMPLETION CERTIFICATION MUST INCLUDE, AT A MINIMUM, EXISTING ELEVATIONS, LOCATIONS AND DIMENSIONS OF THE COMPONENTS OF THE WATER MANAGEMENT FACILITIES. ADDITIONALLY, IF DEVIATIONS FROM THE APPROVED DRAWING ARE DISCOVERED DURING THE CERTIFICATION PROCESS, THE CERTIFICATION MUST BE ACCOMPANIED BY A COPY OF THE APPROVED PERMIT DRAWINGS WITH DEVIATIONS NOTED.
  15. WITHIN 30 DAYS OF SALE, CONVEYANCE OR OTHER TRANSFER OF ANY OF THE LAND WHICH IS PROPOSED FOR DEVELOPMENT UNDER THE AUTHORIZATION OF THIS PERMIT, THE PERMITTEE SHALL NOTIFY DERM OF SUCH TRANSFER IN WRITING VIA EITHER FORM 0483, REQUEST FOR PERMIT TRANSFER; OR FORM 0920, REQUEST FOR TRANSFER OF SURFACE WATER MANAGEMENT CONSTRUCTION PHASE TO OPERATION PHASE (TO BE COMPLETED AND SUBMITTED BY THE OPERATING ENTITY), IN ACCORDANCE WITH SECTIONS 40E-1.6105 AND 40E-4.351, F.A.C.
  16. A PRORATED SHARE OF SURFACE WATER MANAGEMENT RETENTION/DETENTION AREAS, SUFFICIENT TO PROVIDE THE REQUIRED FLOOD PROTECTION AND WATER QUALITY TREATMENT, MUST BE PROVIDED PRIOR TO OCCUPANCY OF ANY BUILDING OR RESIDENCE.
  17. A STABLE, PERMANENT AND ACCESSIBLE ELEVATION REFERENCE SHALL BE ESTABLISHED ON OR WITHIN ONE HUNDRED (100) FEET OF ALL PERMITTED DISCHARGE STRUCTURES NO LATER THAN THE SUBMISSION OF THE CERTIFICATION REPORT. THE LOCATION OF THE ELEVATION REFERENCE MUST BE NOTED ON OR WITH THE CERTIFICATION REPORT.
  18. IT IS THE RESPONSIBILITY OF THE PERMITTEE TO INSURE THAT ADVERSE OFF-SITE WATER RESOURCE RELATED IMPACTS DO NOT OCCUR DURING CONSTRUCTION.

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\*\*\*\*\*  
\*\*\* RX REPORT \*\*\*  
\*\*\*\*\*

RECEPTION OK

TX/RX NO	8644
CONNECTION TEL	
SUBADDRESS	
CONNECTION ID	
ST. TIME	03/07 08:51
USAGE T	02'38
PGS.	5
RESULT	OK

OR BK 24796 PG 3563  
LAST PAGE

**RECORDERS NOTE**  
This document was received in  
poor condition.

Page 149 of 149